SHKP MPF EMPLOYER SPONSORED SCHEME

Reports and Financial Statements
For the year ended 31 March 2025

SHKP MPF EMPLOYER SPONSORED SCHEME

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

CONTENTS

SCHEME REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Standard Chartered Trustee (Hong Kong) Limited, as the trustee of the Scheme, (the "Trustee") has pleasure in presenting the annual reports and financial statements of SHKP MPF Employer Sponsored Scheme (the "Scheme") for the year ended 31 March 2025.

The Scheme is an employer sponsored scheme established by a trust deed dated 20 October 2000, as amended, (the "Trust Deed").

Under the Trust Deed of the Scheme, the Trustee is required to establish and maintain separate constituent funds in which contributions are invested. Each constituent fund has its separate and distinct investment objectives and policies. During the financial year and up to the date of this report, no material changes have been made to the governing rules of the Scheme.

On 02 October 2024, the Scheme has been onboarded to eMPF Platform. With effective 02 October 2024, the administration of the Scheme is performed by the eMPF Platform.

SCHEME REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL DEVELOPMENT OF THE SCHEME

The Scheme currently has 10 constituent funds, namely:

1. Allianz Choice Stable Growth Fund
2. Fidelity Balanced Fund
3. Fidelity Stable Growth Fund
4. Manulife Career Average Guaranteed Fund - SHKP
5. Invesco MPF Conservative Fund
6. SHKP MPF Fund
7. Allianz Choice Balanced Fund
8. Invesco Global Stable Fund
9. Schroder MPF Core Accumulation Fund
10. Schroder MPF Age 65 Plus Fund

The total contributions received and receivable (including transfers from other schemes) and benefits paid and payable (including transfers to other schemes) during the financial year were HK$1,108,301,482 (2024: HK$1,101,719,246) and HK$982,283,376 (2024: HK$912,812,249), respectively. The net asset value of the Scheme as at 31 March 2025 was HK$7,739,421,315 (2024: HK$7,013,683,756). The net asset value of each constituent fund at the beginning and end of the year together with their performance during the financial year are disclosed in the unaudited Investment Report under "Analysis on movements in net asset value (including investment returns)".

SCHEME REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

SERVICE PROVIDERS AND ADVISORS

Sponsor	Sun Hung Kai Properties Limited 45th Floor, Sun Hung Kai Centre 30 Harbour Road Wanchai Hong Kong
Guarantor for Manulife Career Average Guaranteed Fund - SHKP	Standard Chartered Bank (Hong Kong) Limited Standard Chartered Tower 388 Kwun Tong Road Kwun Tong Hong Kong
Bankers	Standard Chartered Bank (Hong Kong) Limited Standard Chartered Tower 388 Kwun Tong Road Kwun Tong Hong Kong
Manager for Invesco MPF Conservative Fund	Invesco Hong Kong Limited 41/F Champion Tower Three Garden Road Central Hong Kong
Trustee and Custodian	Standard Chartered Trustee (Hong Kong) Limited Level 14, Standard Chartered Bank Building 4-4A Des Voeux Road Central Hong Kong
Administrator [Note 1]	BestServe Financial Limited (Terminated with effective on 02 October 2024) 10th Floor, One Harbourfront 18 Tak Fung Street Hung Hom Kowloon Hong Kong
Benefit Payment, Employer and Member Servicing Agent	Manulife (International) Limited 21/F, Tower A, Manulife Financial Centre, 223-231 Wai Yip Street, Kwun Tong, Kowloon

Note 1: The Scheme has been onboarded to the eMPF Platform on 02 October 2024. Effective from 02 October 2024, the administrative services of the Scheme is performed by eMPF Platform.

SCHEME REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

SERVICE PROVIDERS AND ADVISORS - continued

Legal Advisor	Deacons 5th Floor, Alexandra House 18 Chater Road Central Hong Kong
Auditor	Ernst & Young 27/F, One Taikoo Place 979 King's Road Quarry Bay, Hong Kong

DIRECTORS OF THE TRUSTEE - STANDARD CHARTERED TRUSTEE (HONG KONG) LIMITED

The directors of the Trustee were as follows:

Stewart Robert Kenneth ALDCROFT (as Independent Non-executive Director)
CHENG Lai Ching
CHUA Meng Keong
Simon Mark KELLAWAY
Pierre Georges Joseph MENGAL
WONG Norbert Siew Hieng
Luzia Rosa HUNG (as Independent Non-executive Director)

The business address of the above directors is 14/F Standard Chartered Bank Building, 4-4A Des Voeux Road Central, Hong Kong

SCHEME REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

For further information about the Scheme and its operations, please contact:

eMPF Customer Service Hotline: 183 2622

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道979號
太古坊一座27樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SHKP MPF Employer Sponsored Scheme (the "Scheme") set out on pages 10 to 56, which comprise the statement of net assets available for benefits - Scheme and statement of assets and liabilities - Constituent Funds as at 31 March 2025, and the statement of changes in net assets available for benefits - Scheme, statement of cash flows - Scheme, revenue statement - Constituent Funds and statement of changes in net assets - Constituent Funds for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Scheme as at 31 March 2025, and of its financial transactions and cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to Practice Note 860.1 (Revised) *The Audit of Retirement Schemes* as issued by the HKICPA. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Financial Statements section* of our report. We are independent of the Scheme in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Trustee of the Scheme (the “Trustee”) is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements, our auditor's report and independent auditor's assurance report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT - continued
TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME

Responsibilities of Trustee and Those Charged with Governance for the Financial Statements

The Trustee is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the Scheme or to cease operations, or has no realistic alternative but to do so.

In addition, the Trustee is required to ensure that the financial statements have been properly prepared in accordance with sections 80, 81, 83 and 84 of the Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation").

Those charged with governance are responsible for overseeing the Scheme's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 102 of the General Regulation, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition, we are required to assess whether the financial statements of the Scheme have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.

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INDEPENDENT AUDITOR'S REPORT - continued
TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME

Auditor's Responsibilities for the Audit of the Financial Statements - continued

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Scheme's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.

- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT - continued
TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME

Report on Matters under the Mandatory Provident Fund Schemes (General) Regulation

a. In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.

b We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

The engagement partner on the audit resulting in this independent auditor report is LEE Lit Kei (practising certificate number: P08008).

Certified Public Accountants
Hong Kong
8 October 2025

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS - SCHEME
AS AT 31 MARCH 2025

	NOTES	2025 HK$	2024 HK$
ASSETS			
Investments in constituent funds	6	7,742,913,079	7,009,333,564
Contributions receivable		99,467,067	96,548,015
Amounts receivable on redemption of units in constituent funds		14,549,962	7,899,008
Other accounts receivable		125,796	151,497
Bank balances	7, 10(f)	24,978,249	8,074,381
		7,882,034,153	7,122,006,465
LIABILITIES			
Accounts payable		25,225,345	4,285,805
Benefits payable		113,040,364	100,792,625
Forfeitures payable		4,347,129	3,244,279
		142,612,838	108,322,709
NET ASSETS ATTRIBUTABLE TO MEMBERS		7,739,421,315	7,013,683,756

The financial statements on pages 10 to 56 were approved and authorised for issue by the Trustee on 8 October 2025 and are signed on its behalf by:

Director

Director

Standard Chartered Trustee (Hong Kong) Limited
as trustee of SHKP MPF EMPLOYER SPONSORED SCHEME

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - SCHEME FOR THE YEAR ENDED 31 MARCH 2025

	NOTES	2025 HK$	2024 HK$
INCREASE IN NET ASSETS ATTRIBUTABLE TO MEMBERS FROM PARTICIPATING TRANSACTIONS			
Contributions received and receivable			
From employers	12		
- mandatory		495,779,633	490,486,994
- additional voluntary		66,985,583	61,423,688
From employees			
- mandatory		479,928,749	470,103,155
- additional voluntary		41,470,776	38,818,085
Group transfers in from other schemes		523,758	6,405,674
Individual transfers in from other schemes		23,612,983	34,481,650
		1,108,301,482	1,101,719,246
Benefits paid and payable	13		
Death and disability		(2,113,889)	(244,467)
Retirement		(168,005,794)	(150,422,201)
Payments to and on account of leavers			
- refunds of contributions		(3,766,227)	(181,477)
- individual transfers out to other schemes		(803,611,921)	(754,175,316)
- permanent departure		(3,685,075)	(7,442,623)
- terminal illness		(1,096,081)	(346,165)
- auto termination within 60 days		(4,389)	-
		(982,283,376)	(912,812,249)
Forfeitures		(2,177,496)	(1,723,356)
Total benefits paid and payable (including forfeitures)		(984,460,872)	(914,535,605)
		123,840,610	187,183,641

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - SCHEME - continued
FOR THE YEAR ENDED 31 MARCH 2025

	NOTES	2025 HK$	2024 HK$
INCREASE IN NET ASSETS ATTRIBUTABLE TO MEMBERS FROM OPERATIONS			
Investment income			
Interest income on bank deposits	10(f)	3,873	1,862
Net realised gain on financial assets at fair value through profit or loss – investments in constituent funds		165,224,155	39,416,605
Net unrealised gain on financial assets at fair value through profit or loss – investments in constituent funds		436,673,406	231,707,051
		601,901,434	271,125,518
Expenses			
Bank charges and other expenses		(4,485)	(6,387)
		601,896,949	271,119,131
INCREASE IN NET ASSETS ATTRIBUTABLE TO MEMBERS		725,737,559	458,302,772
BALANCE BROUGHT FORWARD		7,013,683,756	6,555,380,984
BALANCE CARRIED FORWARD		7,739,421,315	7,013,683,756

STATEMENT OF CASH FLOWS - SCHEME
FOR THE YEAR ENDED 31 MARCH 2025

	2025 HK$	2024 HK$
OPERATING ACTIVITIES		
Increase in net assets attributable to members from operations	601,896,949	271,119,131
Adjustment for:		
Interest income on bank deposits	(3,873)	(1,862)
Operating cash inflows before movements in working capital	601,893,076	271,117,269
Increase in investments in constituent funds	(733,579,515)	(424,747,698)
(Increase)/ Decrease in amounts receivable on redemption of units in constituent funds	(6,650,954)	1,998,828
Decrease in other accounts receivable	25,701	50,154
Increase/ (Decrease) in accounts payable	20,939,540	(410,139)
Cash used in operations	(117,372,152)	(151,991,586)
Interest received	3,873	1,862
NET CASH USED IN OPERATING ACTIVITIES	(117,368,279)	(151,989,724)
FINANCING ACTIVITIES		
Contributions received (Note)	1,104,307,784	1,089,966,838
Benefits paid	(970,035,637)	(940,938,319)
NET CASH GENERATED FROM FINANCING ACTIVITIES	134,272,147	149,028,519
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	16,903,868	(2,961,205)
CASH AND CASH EQUIVALENTS AT 1 APRIL	8,074,381	11,035,586
CASH AND CASH EQUIVALENTS AT 31 MARCH	24,978,249	8,074,381
REPRESENTED BY:		
Bank balances	24,978,249	8,074,381

Note	2025 HK$	2024 HK$
Contributions	1,105,382,430	1,091,448,292
Forfeitures applied	(1,074,646)	(1,481,454)
Contributions received	1,104,307,784	1,089,966,838

The forfeitures are applied in reducing contributions from the employers.

SHKP MPF EMPLOYER SPONSORED SCHEME

REVENUE STATEMENT - CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 MARCH 2025

		Allianz Choice Stable Growth Fund		Fidelity Balanced Fund		Fidelity Stable Growth Fund		Manulife Career Average Guaranteed Fund - SHKP		Invesco MPF Conservative Fund		SHKP MPF Fund	
	NOTES	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$
INCOME/ (LOSSES)													
Interest income on bank deposits	10(f)	20,668	27,216	56,898	77,169	26,799	33,957	30,300	49,368	12,984,736	17,350,376	53,461	54,511
Interest income on financial assets at fair value through profit or loss		-	-	-	-	-	-	-	-	5,553,269	3,794,577	-	-
Cash rebate and expense cap from managed funds	5	20,628	19,569	4,715,646	3,607,537	2,400,616	1,862,894	-	-	-	-	-	-
Net realised gain/ (loss) on financial assets at fair value through profit or loss		11,733,141	6,426,692	35,549,686	14,553,416	14,212,306	6,622,615	1,432,143	(4,216,755)	8,176,724	4,758,329	36,272,438	(8,364,131)
Net unrealised gain/ (loss) on financial assets at fair value through profit or loss		15,478,267	5,439,824	71,814,051	14,048,763	25,700,749	5,586,443	20,461,477	4,746,636	1,640,574	1,558,601	240,291,959	109,996,198
Other income		-	-	1,830	21	855	17	-	-	-	-	-	-
		27,252,704	11,913,301	112,138,111	32,286,906	42,341,325	14,105,926	21,923,920	579,249	28,355,303	27,461,883	276,617,858	101,686,578
EXPENSES													
Accounting fee	10(e)	(24,375)	(24,375)	(24,375)	(24,375)	(24,375)	(24,375)	(24,375)	(24,375)	(24,325)	(24,412)	(24,375)	(24,375)
Administration fee	10(d)	(585,461)	(1,101,505)	(1,932,283)	(3,631,721)	(989,193)	(1,872,571)	(682,760)	(1,291,016)	(952,393)	(1,781,449)	(1,896,658)	(3,538,859)
eMPF Platform fee	10(d)	(506,287)	-	(1,672,723)	-	(844,224)	-	(591,894)	-	(843,846)	-	(1,824,115)	-
Auditor's remuneration		(32,616)	(45,621)	(107,143)	(154,449)	(55,210)	(76,692)	(37,920)	(55,313)	(52,746)	(82,214)	(109,737)	(145,343)
Miscellaneous expenses		(4,560)	(4,400)	(4,560)	(4,400)	(4,560)	(4,400)	(4,560)	(4,400)	(4,560)	(4,380)	(4,560)	(4,400)
MPF indemnity insurance		(58,723)	(59,277)	(193,105)	(194,996)	(99,615)	(100,324)	(68,762)	(69,714)	(93,116)	(100,648)	(199,249)	(181,932)
Publishing fee		(10,066)	(11,130)	(10,066)	(11,130)	(10,066)	(11,130)	(10,066)	(11,130)	(10,578)	(11,153)	(10,066)	(11,130)
Registration fee		(220)	(215)	(220)	(215)	(220)	(215)	(220)	(215)	(220)	(215)	(220)	(2,558)
Trustee fee	10(c)	(420,418)	(314,716)	(1,388,442)	(1,037,635)	(704,738)	(535,020)	(221,265)	(115,269)	(970,733)	(763,478)	(663,376)	(315,970)
Printing and postage fee		(50,000)	(19,999)	(49,999)	(20,000)	(50,000)	(19,998)	(49,986)	(20,000)	(49,900)	(20,037)	(49,998)	(19,998)
Management fee	10(b)	-	-	-	-	-	-	-	-	(1,452,660)	(1,336,087)	-	-
Bank charges		(430)	(184)	(430)	(183)	(430)	(183)	(430)	(183)	(6,270)	(7,458)	(430)	(183)
Legal and professional fee		(23,297)	(50,299)	(76,530)	(168,462)	(39,435)	(86,139)	(27,086)	(59,571)	(37,676)	(81,763)	(78,384)	(157,827)
Valuation fee		(12,200)	-	(12,200)	-	(12,200)	-	(12,200)	-	(24,800)	-	(12,200)	-
Sub-custodian fee		-	-	-	-	-	-	-	-	(60,658)	(18,587)	-	-
Transaction fees		-	-	-	-	-	-	-	-	(38,937)	(34,914)	-	-
Set Up Expense		-	-	-	-	-	-	-	-	-	-	-	-
		(1,728,653)	(1,631,721)	(5,472,076)	(5,247,566)	(2,834,266)	(2,731,047)	(1,731,524)	(1,651,186)	(4,623,418)	(4,266,795)	(4,873,368)	(4,402,575)
INCREASE/ (DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS		25,524,051	10,281,580	106,666,035	27,039,340	39,507,059	11,374,879	20,192,396	(1,071,937)	23,731,885	23,195,088	271,744,490	97,284,003

REVENUE STATEMENT - CONSTITUENT FUNDS - continued
FOR THE YEAR ENDED 31 MARCH 2025

	NOTES	Allianz Choice Balanced Fund 2025 HK$	Allianz Choice Balanced Fund 2024 HK$	Invesco Global Stable Fund 2025 HK$	Invesco Global Stable Fund 2024 HK$	Schroder MPF Core Accumulation Fund 2025 HK$	Schroder MPF Core Accumulation Fund 2024 HK$	Schroder MPF Age 65 Plus Fund 2025 HK$	Schroder MPF Age 65 Plus Fund 2024 HK$	Total 2025 HK$	Total 2024 HK$
INCOME/ (LOSSES)											
Interest income on bank deposits	10(f)	26,725	37,211	16,773	12,341	32,716	25,883	23,508	21,599	13,272,584	17,689,631
Interest income on financial assets at fair value through profit or loss		-	-	-	-	-	-	-	-	5,553,269	3,794,577
Cash rebate and expense cap from managed funds	5	35,009	32,316	3,103,164	3,030,308	-	-	-	-	10,275,063	8,552,624
Net realised gain/ (loss) on financial assets at fair value through profit or loss		21,437,233	11,948,030	4,580,773	517,386	28,355,717	7,927,709	6,248,689	(1,778,962)	167,998,850	38,394,329
Net unrealised gain/ (loss) on financial assets at fair value through profit or loss		36,634,220	13,744,686	23,707,685	5,912,993	(1,817,686)	55,695,419	2,762,110	14,977,488	436,673,406	231,707,051
Other income		-	-	-	24	-	-	44	-	2,729	62
		58,133,187	25,762,243	31,408,395	9,473,052	26,570,747	63,649,011	9,034,351	13,220,125	633,775,901	300,138,274
EXPENSES											
Accounting fee	10(e)	(24,375)	(24,375)	(24,375)	(24,375)	-	-	-	-	(194,950)	(195,037)
Administration fee	10(d)	(982,455)	(1,816,896)	(794,062)	(1,555,528)	(875,737)	(1,295,304)	(402,126)	(667,948)	(10,093,128)	(18,552,797)
eMPF Platform fee	10(d)	(866,090)	-	(680,952)	-	(822,548)	-	(371,614)	-	(9,024,293)	-
Auditor's remuneration		(53,981)	(78,283)	(44,891)	(64,746)	(44,372)	(53,252)	(21,275)	(28,406)	(559,891)	(784,319)
Miscellaneous expenses		(4,560)	(4,400)	(4,560)	(4,400)	(4,560)	(4,400)	(4,560)	(4,400)	(45,600)	(43,980)
MPF indemnity insurance		(97,205)	(96,792)	(82,097)	(84,478)	(78,861)	(62,045)	(38,694)	(33,569)	(1,009,427)	(983,775)
Publishing fee		(10,066)	(11,130)	(10,066)	(11,130)	(9,539)	(11,130)	(9,673)	(11,130)	(100,252)	(111,323)
Registration fee		(220)	(215)	(220)	(215)	(220)	(215)	(220)	(215)	(2,200)	(4,493)
Trustee fee	10(c)	(713,747)	(519,113)	(567,351)	(444,437)	(1,677,497)	(1,103,647)	(763,306)	(569,307)	(8,090,873)	(5,718,592)
Printing and postage fee		(49,998)	(20,000)	(49,998)	(20,000)	(50,002)	(19,998)	(50,002)	(19,998)	(499,883)	(200,028)
Management fee	10(b)	-	-	-	-	-	-	-	-	(1,452,660)	(1,336,087)
Bank charges		(430)	(183)	(430)	(183)	(430)	(233)	(430)	(219)	(10,140)	(9,192)
Legal and professional fee		(38,559)	(82,620)	(32,065)	(72,325)	(31,694)	(49,502)	(15,196)	(27,660)	(399,922)	(836,168)
Valuation fee		(12,200)	-	(12,200)	-	-	-	-	-	(110,200)	-
Sub-custodian fee		-	-	-	-	-	-	-	-	(60,658)	(18,587)
Transaction fees		-	-	-	-	-	-	-	-	(38,937)	(34,914)
Set Up Expense		-	-	-	-	(92,663)	(92,663)	(92,663)	(92,663)	(185,326)	(185,326)
		(2,853,886)	(2,654,007)	(2,303,267)	(2,281,817)	(3,688,123)	(2,692,389)	(1,769,759)	(1,455,515)	(31,878,340)	(29,014,618)
INCREASE/ (DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS		55,279,301	23,108,236	29,105,128	7,191,235	22,882,624	60,956,622	7,264,592	11,764,610	601,897,561	271,123,656

STATEMENT OF ASSETS AND LIABILITIES - CONSTITUENT FUNDS
AS AT 31 MARCH 2025

		Allianz Choice Stable Growth Fund		Fidelity Balanced Fund		Fidelity Stable Growth Fund		Manulife Career Average Guaranteed Fund - SHKP		Invesco MPF Conservative Fund		SHKP MPF Fund	
	NOTES	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$
ASSETS													
Financial assets at fair value through profit or loss	6	426,827,939	405,164,285	1,403,153,352	1,333,609,157	712,172,953	687,448,470	506,654,907	462,897,606	457,507,150	293,655,211	1,566,372,199	1,353,621,620
Amounts receivable on sale of financial assets at fair value through profit or loss		946,196	503,546	3,087,384	1,145,783	1,615,805	678,760	1,346,007	951,756	3,000,000	-	3,908,954	3,708,331
Amounts receivable on subscriptions		115,077	15,310	439,594	1,034,961	2,612	491,306	10,963	203,408	2,150,627	2,338,713	1,950,963	428,054
Prepayment and other receivables		61,092	66,364	973,113	796,745	491,363	412,545	63,862	70,257	1,324,999	2,243,045	196,338	199,771
Bank balances	7, 10(f)	2,881,112	3,475,496	6,798,942	10,242,428	3,426,029	4,118,786	5,484,999	7,095,588	157,156,021	33,476,246	11,167,863	7,114,491
Bank deposits with original maturity over three months	7	-	-	-	-	-	-	-	-	142,989,906	332,265,063	-	-
Total assets		430,831,416	409,225,001	1,414,452,385	1,346,829,074	717,708,762	693,149,867	513,560,738	471,218,615	764,128,703	663,978,278	1,583,596,317	1,365,072,267
LIABILITIES													
Accounts payable	10(b), 10(c) 10(d), 10(e)	316,671	396,414	915,300	1,219,557	494,883	648,406	339,184	331,714	781,893	1,237,557	876,845	848,510
Amounts payable to scheme on redemption		979,808	570,603	3,511,562	2,196,293	2,179,294	801,680	1,177,383	821,343	3,426,640	1,865,304	3,585,528	3,377,289
Amounts payable on purchases		-	-	-	-	-	-	-	-	14,707,541	5,931,370	-	-
Total liabilities		1,296,479	967,017	4,426,862	3,415,850	2,674,177	1,450,086	1,516,567	1,153,057	18,916,074	9,034,231	4,462,373	4,225,799
Net assets attributable to unitholders		429,534,937	408,257,984	1,410,025,523	1,343,413,224	715,034,585	691,699,781	512,044,171	470,065,558	745,212,629	654,944,047	1,579,133,944	1,360,846,468
Number of units		16,383,672.777	16,545,927.5650	5,916,510.921	6,087,946.567	3,404,049.940	3,482,639.669	39,832,083.565	38,109,038.679	59,972,351.7490	54,548,345.184	40,705,910.1530	42,340,217.101
Net asset value per unit		26.22	24.67	238.32	220.67	210.05	198.61	12.855	12.335	12.426	12.006	38.794	32.141

STATEMENT OF ASSETS AND LIABILITIES - CONSTITUENT FUNDS - continued
AS AT 31 MARCH 2025

	NOTES	Allianz Choice Balanced Fund 2025 HK$	Allianz Choice Balanced Fund 2024 HK$	Invesco Global Stable Fund 2025 HK$	Invesco Global Stable Fund 2024 HK$	Schroder MPF Core Accumulation Fund 2025 HK$	Schroder MPF Core Accumulation Fund 2024 HK$	Schroder MPF Age 65 Plus Fund 2025 HK$	Schroder MPF Age 65 Plus Fund 2024 HK$	Total 2025 HK$	Total 2024 HK$
ASSETS											
Financial assets at fair value through profit or loss	6	730,939,304	674,791,833	576,977,258	556,787,631	704,310,912	567,790,526	322,570,995	264,773,628	7,407,486,969	6,600,539,967
Amounts receivable on sale of financial assets at fair value through profit or loss		1,593,941	491,332	872,044	1,115,386	2,448,627	1,134,469	1,606,518	1,350,514	20,425,476	11,079,877
Amounts receivable on subscriptions		350,693	42,330	75,938	111,280	1,553,658	1,942,628	1,591,129	1,616,950	8,241,254	8,224,940
Prepayment and other receivables		102,319	107,420	954,349	946,898	88,211	75,232	40,333	38,056	4,295,979	4,956,333
Bank balances	7, 10(f)	3,967,596	6,239,035	2,708,017	2,039,206	5,197,905	3,879,633	3,760,933	3,477,799	202,549,417	81,158,708
Bank deposits with original maturity over three months	7	-	-	-	-	-	-	-	-	142,989,906	332,265,063
Total assets		736,953,853	681,671,950	581,587,606	561,000,401	713,599,313	574,822,488	329,569,908	271,256,947	7,785,989,001	7,038,224,888
LIABILITIES											
Accounts payable	10(b), 10(c) 10(d), 10(e)	490,319	625,888	417,007	543,201	586,374	616,771	358,691	367,989	5,577,167	6,836,007
Amounts payable to scheme on redemption		1,563,190	2,100,824	1,276,360	1,235,100	3,079,004	1,312,042	2,012,445	1,843,469	22,791,214	16,123,947
Amounts payable on purchases		-	-	-	-	-	-	-	-	14,707,541	5,931,370
Total liabilities		2,053,509	2,726,712	1,693,367	1,778,301	3,665,378	1,928,813	2,371,136	2,211,458	43,075,922	28,891,324
Net assets attributable to unitholders		734,900,344	678,945,238	579,894,239	559,222,100	709,933,935	572,893,675	327,198,772	269,045,489	7,742,913,079	7,009,333,564
Number of units		18,206,917.2895	18,185,942.0483	48,147,894.407	48,879,762.608	45,895,073.9072	38,497,199.2700	28,200,459.994	23,791,810.585		
Net asset value per unit		40.36	37.33	12.0440	11.4408	15.4686	14.8814	11.6026	11.3083		

STATEMENT OF CHANGES IN NET ASSETS - CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 MARCH 2025

	Allianz Choice Stable Growth Fund		Fidelity Balanced Fund		Fidelity Stable Growth Fund		Manulife Career Average Guaranteed Fund - SHKP		Invesco MPF Conservative Fund		SHKP MPF Fund	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$
BALANCE BROUGHT FORWARD	408,257,984	399,074,699	1,343,413,224	1,331,185,572	691,699,781	683,300,988	470,065,558	463,408,424	654,944,047	628,907,542	1,360,846,468	1,231,041,527
Subscription of units	68,276,214	61,080,589	210,498,645	210,233,085	96,145,735	97,822,207	127,746,808	119,691,650	280,747,503	219,271,753	266,319,290	261,972,183
Redemption of units	(72,523,312)	(62,178,884)	(250,552,381)	(225,044,773)	(112,317,990)	(100,798,293)	(105,960,591)	(111,962,579)	(214,210,806)	(216,430,336)	(319,776,304)	(229,451,245)
Total subscription less redemption	(4,247,098)	(1,098,295)	(40,053,736)	(14,811,688)	(16,172,255)	(2,976,086)	21,786,217	7,729,071	66,536,697	2,841,417	(53,457,014)	32,520,938
Increase/ (Decrease) in net assets attributable to unitholders from operations	25,524,051	10,281,580	106,666,035	27,039,340	39,507,059	11,374,879	20,192,396	(1,071,937)	23,731,885	23,195,088	271,744,490	97,284,003
BALANCE CARRIED FORWARD	429,534,937	408,257,984	1,410,025,523	1,343,413,224	715,034,585	691,699,781	512,044,171	470,065,558	745,212,629	654,944,047	1,579,133,944	1,360,846,468
Number of units - issued during the year	2,671,252.0234	2,567,708.9508	910,405.2960	993,174.9910	467,939.4240	510,784.3300	10,111,674.0680	9,809,122.5000	22,932,455.6720	18,614,271.2900	7,568,581.4950	8,671,810.1120
- redeemed during the year	2,833,506.8119	2,619,727.1510	1,081,840.9420	1,067,225.1570	546,529.1530	528,280.174	8,388,629.1820	9,190,734.5880	17,508,449.1070	18,394,722.5400	9,202,888.4430	7,617,510.0930

STATEMENT OF CHANGES IN NET ASSETS - CONSTITUENT FUNDS - continued
FOR THE YEAR ENDED 31 MARCH 2025

	Allianz Choice Balanced Fund		Invesco Global Stable Fund		Schroder MPF Core Accumulation Fund		Schroder MPF Age 65 Plus Fund		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$
BALANCE BROUGHT FORWARD	678,945,238	657,415,071	559,222,100	571,208,161	572,893,675	399,133,326	269,045,489	219,910,556	7,009,333,564	6,584,585,866
Subscription of units	124,545,775	118,449,027	78,545,546	77,950,029	337,786,575	261,932,940	196,257,632	153,928,579	1,786,869,723	1,582,332,042
Redemption of units	(123,869,970)	(120,027,096)	(86,978,535)	(97,127,325)	(223,628,939)	(149,129,213)	(145,368,941)	(116,558,256)	(1,655,187,769)	(1,428,708,000)
Total subscription less redemption	675,805	(1,578,069)	(8,432,989)	(19,177,296)	114,157,636	112,803,727	50,888,691	37,370,323	131,681,954	153,624,042
Increase/ (Decrease) in net assets attributable to unitholders from operations	55,279,301	23,108,236	29,105,128	7,191,235	22,882,624	60,956,622	7,264,592	11,764,610	601,897,561	271,123,656
BALANCE CARRIED FORWARD	734,900,344	678,945,238	579,894,239	559,222,100	709,933,935	572,893,675	327,198,772	269,045,489	7,742,913,079	7,009,333,564
Number of units										
- issued during the year	3,180,102.7600	3,316,796.1746	6,684,626.1680	6,997,569.9180	21,863,093.1889	19,097,804.7370	17,009,275.3473	14,168,546.8520		
- redeemed during the year	3,159,127.5188	3,374,599.3166	7,416,494.3690	8,743,383.7300	14,465,218.5517	10,974,088.8350	12,600,625.9384	10,746,041.3790		

1. GENERAL

SHKP MPF Employer Sponsored Scheme (the "Scheme") is an employer sponsored scheme constituted by a trust deed dated 20 October 2000, as amended, (the "Trust Deed") and governed by the laws of the Hong Kong Special Administrative Region of the People's Republic of China. The Scheme is designed to provide retirement benefits to the members under the Scheme.

The Scheme consists of ten constituent funds, namely, Allianz Choice Stable Growth Fund, Fidelity Balanced Fund, Fidelity Stable Growth Fund, Manulife Career Average Guaranteed Fund - SHKP, Invesco MPF Conservative Fund, SHKP MPF Fund, Allianz Choice Balanced Fund, Invesco Global Stable Fund, Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund (the "Constituent Funds") during the year.

On 2 October 2024, the Scheme has been onboarded to the eMPF Platform. Upon the Scheme got onboard to the eMPF Platform, the administration of the Scheme is performed by the eMPF Platform. As a result of the use of eMPF Platform for scheme administration services, the administration fees at constituent fund level in respect of the Constituent Funds have been reduced with effect from 2 October 2024. The administration fee has been renamed as eMPF Platform fee effective from 2 October 2024.

The financial statements are presented in Hong Kong dollars ("HK$"), the functional currency of the Scheme and the Constituent Funds.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the Mandatory Provident Fund Schemes (General) Regulation (the"General Regulation").

These financial statements have been prepared under the historical cost convention, except for investments held at fair values through profit or loss ("FVTPL").

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Scheme and the Constituent Funds have adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements

Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current (the "2020 Amendments")*
Amendments to HKAS 1	*Non-current Liabilities with Covenants (the "2022 Amendments")*

The nature and the impact of the revised HKFRS Accounting Standards are described below:

The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Scheme and the Constituent Funds have reassessed the terms and conditions of its liabilities as at 1 April 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Scheme and the Constituent Funds and policy align with the amendments, the amendments had no impact on the Scheme and the Constituent Funds' financial statements.

2.2 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Scheme and the Constituent Funds have not applied the following new and revised HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Scheme and the Constituent Funds intends to apply these new and revised HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	*Presentation and Disclosure in Financial Statements* [2]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Annual Improvements to HKFRS Accounting Standards – Volume 11	*Amendments to HKFRS 1, HKFRS 7, HKFRS 9 and HKAS 7* [1]

[1] Effective for annual periods beginning on or after 1 January 2026
[2] Effective for annual/reporting periods beginning on or after 1 January 2027

2.2 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS - continued

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Scheme and the Constituent Funds are described below.

HKFRS 18 *Presentation and Disclosure in Financial Statements*

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Scheme and the Constituent Funds are currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Scheme and the Constituent Funds' financial statements.

Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*

Amendments to HKFRS 9 and HKFRS 7 clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Scheme and the Constituent Funds' financial statements.

2.2 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS - continued

Annual Improvements to HKFRS Accounting Standards – Volume 11 Amendments to HKFRS 1, HKFRS 7, HKFRS 9 and HKAS 7

Annual Improvements to HKFRS Accounting Standards – Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9 and HKAS 7. Details of the amendments that are expected to be applicable to the Scheme and the Constituent Funds are as follows:

- HKFRS 7 *Financial Instruments*: Disclosures: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing HKFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing HKFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Scheme and the Constituent Funds' financial statements.

- HKFRS 9 *Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Scheme and the Constituent Funds' financial statements.

- HKAS 7 *Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Scheme and the Constituent Funds' financial statements.

3. MATERIAL ACCOUNTING POLICIES

The financial statements of the Scheme and the Constituent Funds have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA and the Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation") issued by the Mandatory Provident Fund Schemes Authority (the "MPFA").

The financial statements of the Scheme and the Constituent Funds are prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods/services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Scheme and the Constituent Funds take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

3. MATERIAL ACCOUNTING POLICIES - continued

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Revenue recognition

Investment return comprises both realised and unrealised gains or losses on investments.

Gains or losses arising from disposal of investments are recognised on a trade date basis when the contracts are entered into.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Scheme and the Constituent Funds and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Expenses

All expenses are recognised in the statement of changes in net assets available for benefits -Scheme and the revenue statement - Constituent Funds on an accrual basis.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of net assets available for benefits - Scheme and the statement of assets and liabilities - Constituent Funds, when the Scheme and the Constituent Funds become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of changes in net assets available for benefits - Scheme and the revenue statement - Constituent Funds.

3. MATERIAL ACCOUNTING POLICIES - continued

Financial instruments - continued

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for loans and receivables in the statement of changes in net assets available for benefits - Scheme and the revenue statement - Constituent Funds.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or

- on initial recognition it is a part of a portfolio of identified financial instruments that the Scheme and the Constituent Funds manage together and have a recent actual pattern of short-term profit-taking; or

- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Scheme and the Constituent Funds may irrevocably designate a financial asset that is required to be measured at the amortised cost as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. MATERIAL ACCOUNTING POLICIES - continued

Financial instruments - continued

Financial assets - continued

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying-amount-of-a-financial-asset, except for financial-assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in the statement of comprehensive income excludes any dividend or interest earned on the financial assets.

Impairment of financial assets

The Scheme and the Constituent Funds perform impairment assessment under expected credit loss ("ECL") model on financial assets (including contributions receivable, amounts receivable on redemption of units in constituent funds, other accounts receivable, bank balances of the Scheme, amounts receivable on sale of financial assets at fair value through profit or loss, amounts receivable on subscription, other receivables and bank balances of the Constituent Funds) which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Scheme's and the Constituent Funds' historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

3. MATERIAL ACCOUNTING POLICIES - continued

Financial instruments - continued

Financial assets - continued

Impairment of financial assets - continued

For all instruments, the Scheme and the Constituent Funds measure the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Scheme and the Constituent Funds recognise lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Scheme and the Constituent Funds compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Scheme and the Constituent Funds consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results of the debtor;

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Despite the foregoing, the Scheme and the Constituent Funds assume that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Scheme and the Constituent Funds consider a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

3. MATERIAL ACCOUNTING POLICIES - continued

Financial instruments - continued

Financial assets - continued

Impairment of financial assets - continued

(i) Significant increase in credit risk - continued

The Scheme and the Constituent Funds regularly monitor the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Scheme and the Constituent Funds consider an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Scheme and the Constituent Funds, in full (without taking into account any collaterals held by the Scheme and the Constituent Funds).

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event;
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Scheme and the Constituent Funds write off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered-into-bankruptcy-proceedings. Financial-assets written off may still be subject to enforcement activities under the Scheme's and the Constituent Funds' recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in statement of changes in net assets attributable to unitholders.

3. MATERIAL ACCOUNTING POLICIES - continued

Financial instruments - continued

Financial assets - continued

Impairment of financial assets - continued

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Scheme and the Constituent Funds in accordance with the contract and the cash flows that the Scheme and the Constituent Funds expect to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Scheme and the Constituent Funds recognise an impairment gain or loss in statement of changes in net assets attributable to unitholders for all financial instruments by adjusting their carrying amount.

Derecognition

The Scheme and the Constituent Funds derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the financial assets to another entity. If the Scheme and the Constituent Funds neither transfer nor retain substantially all the risks and rewards of ownership and continue to control the transferred asset, the Scheme and the Constituent Funds continue to recognise the asset to the extent of their continuing involvement and associated liability. If the Scheme and the Constituent Funds retain substantially all the risks and rewards of ownership of a transferred financial asset, the Scheme and the Constituent Funds continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of changes in net assets available for benefits - Scheme and the revenue statement - Constituent Funds.

The Scheme and the Constituent Funds derecognise a financial liability when, and only when the Scheme's and Constituent Funds' obligations specified in the relevant contract are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of changes in net assets available for benefits - Scheme and the revenue statement - Constituent Funds.

3. MATERIAL ACCOUNTING POLICIES - continued

Financial instruments - continued

Financial liabilities

Financial liabilities are classified in accordance with the substance of the contractual arrangements and the definitions of a financial liability. The Scheme's and Constituent Funds' financial liabilities are generally classified into net assets attributable to members/ unitholders and other financial liabilities.

Other financial liabilities

Other financial liabilities, including benefits payable, forfeitures payable and accounts payable of the Scheme; amounts payable to Scheme on redemption, amount payable on purchase of financial assets at fair value through profit or loss and accounts payables of the Constituent Funds, are subsequently measured at amortised cost, using the effective interest method.

Net assets attributable to members

The Scheme provides the members with the right to get their benefits for cash equal to their proportionate share of the net assets value of the Scheme through their interests in the Constituent Funds under certain circumstances in accordance with Mandatory Provident Fund Schemes Ordinance of Hong Kong (the "Ordinance").

The liabilities to members are presented on the statement of net assets available for benefits - Scheme as "net assets attributable to members" and are determined based on the residual assets of the Scheme after deducting the Scheme's other liabilities.

Net assets attributable to unitholders

The units issued by the Constituent Funds provide the unitholders with the right to redeem their units for cash equal to their proportionate share of the net asset value of the Constituent Funds. The existence of the option for the unitholders to put the units back to the Constituent Funds in exchange for cash requires the Constituent Funds to classify the units as financial liabilities. Accordingly, the increase (decrease) in net assets attributable to unitholders resulting from operations in the revenue statement - Constituent Funds is income (expense) in nature. The subscriptions and redemptions by the unitholders are the increase or decrease in liabilities of the Constituent Funds.

The liabilities to unitholders are presented on the statement of assets and liabilities - Constituent Funds as "net assets attributable to unitholders" and are determined based on the residual assets of the Constituent Funds after deducting the Constituent Funds' other liabilities.

3. MATERIAL ACCOUNTING POLICIES - continued

Provisions

Provisions are recognised when the Scheme and the Constituent Funds have a present obligation (legal or constructive) as a result of a past event, it is probable that the Scheme and the Constituent Funds will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contributions and benefits of the Scheme

Contributions are accounted for on an accrual basis. Benefits are accounted for on an accrual basis to the extent of benefits becoming payable prior to the financial year end.

Amounts receivable on sale of investments

Amounts receivable on sale of investments represent receivables for investments sold that have been contracted for but not yet delivered by the end of the financial year.

Transfers in and transfers out

Transfer-in amounts are accounted for on the effective date of transfer.

Transfer-out amounts are accounted for when the obligation to make payment is established.

Forfeitures

The Scheme's rules provide that where benefits are paid to members who have been members for less than a certain period of time, they receive only a proportion of the employers' voluntary contributions paid into the Scheme on their behalf. In such cases these forfeitures are applied in reducing future contributions of the employers, retained in the Scheme for the benefit of other members or returned to the employers.

Subscription and redemption of the Constituent Funds

Subscription and redemption of units are accounted for on a transaction date basis.

3. MATERIAL ACCOUNTING POLICIES - continued

Foreign currencies

In preparing the financial statements of the Scheme and the Constituent Funds, transactions in currencies other than the functional currency of the Scheme and the Constituent Funds (foreign currencies) are recorded in their functional currency (i.e. the currency of the primary economic environment in which the Scheme and the Constituent Funds operate) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in the statement of changes in net assets available for benefits -Scheme and the revenue statement - Constituent Funds in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the statement of changes in net assets available for benefits - Scheme and the revenue statement - Constituent Funds for the period.

4. TAXATION

The Scheme is exempted from Hong Kong tax on income and capital gains under Section 26A, Part (1A) of the Hong Kong Inland Revenue Ordinance.

5. CASH REBATE FROM MANAGED FUNDS

The amount represented cash rebate from the underlying investments of the corresponding Constituent Funds.

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 HK$	2024 HK$
Scheme		
Investments in constituent funds		
Allianz Choice Stable Growth Fund	429,534,937	408,257,984
Fidelity Balanced Fund	1,410,025,523	1,343,413,224
Fidelity Stable Growth Fund	715,034,585	691,699,781
Manulife Career Average Guaranteed Fund - SHKP	512,044,171	470,065,558
Invesco MPF Conservative Fund	745,212,629	654,944,047
SHKP MPF Fund	1,579,133,944	1,360,846,468
Allianz Choice Balanced Fund	734,900,344	678,945,238
Invesco Global Stable Fund	579,894,239	559,222,100
Schroder MPF Core Accumulation Fund	709,933,935	572,893,675
Schroder MPF Age 65 Plus Fund	327,198,772	269,045,489
	7,742,913,079	7,009,333,564
Constituent Funds		
Allianz Choice Stable Growth Fund		
Allianz Global Investors Choice Fund - Allianz Choice Stable Growth Fund (Ord. A)	426,827,939	405,164,285
Fidelity Balanced Fund		
Fidelity Global Investment Fund - Balanced Fund	1,403,153,352	1,333,609,157
Fidelity Stable Growth Fund		
Fidelity Global Investment Fund - Stable Growth Fund	712,172,953	687,448,470
Manulife Career Average Guaranteed Fund - SHKP		
Manulife Career Average Guaranteed Fund	506,654,907	462,897,606
Invesco MPF Conservative Fund		
Certificates of deposit	268,388,053	129,134,883
Treasury bills	139,767,768	74,829,149
Listed debt securities	7,403,796	-
Unlisted debt securities	41,947,533	89,691,179
	457,507,150	293,655,211
SHKP MPF Fund		
SHKP Nexus Fund - SHKP MPF Fund	1,566,372,199	1,353,621,620
Allianz Choice Balanced Fund		
Allianz Global Investors Choice Fund - Allianz Choice Balanced Fund	730,939,304	674,791,833
Invesco Global Stable Fund		
Invesco Pooled Investment Fund - Global Stable Fund	576,977,258	556,787,631
Schroder MPF Core Accumulation Fund		
Schroder MPF Core 60/40 Fund	704,310,912	567,790,526
Schroder MPF Age 65 Plus Fund		
Schroder MPF Core 20/80 Fund	322,570,995	264,773,628
	7,407,486,969	6,600,539,967

7. BANK BALANCES

The bank balances of the Scheme and the Constituent Funds at 31 March 2025 and 2024 are all savings accounts carrying interest at prevailing market rates and time deposits carrying interest at fixed rates.

	2025 HK$	2024 HK$
Scheme		
Savings accounts	24,978,249	8,074,381
Constituent Funds		
Allianz Choice Stable Growth Fund		
Savings accounts	2,881,112	3,475,496
Fidelity Balanced Fund		
Savings accounts	6,798,942	10,242,428
Fidelity Stable Growth Fund		
Savings accounts	3,426,029	4,118,786
Manulife Career Average Guaranteed Fund - SHKP		
Savings accounts	5,484,999	7,095,588
Invesco MPF Conservative Fund		
Savings accounts	51,980,796	16,615,874
Time deposits		
Bank deposits with original maturity of three months or less than three months	105,175,225	16,860,372
Bank deposits with original maturity of more than three months	142,989,906	332,265,063
	300,145,927	365,741,309

Time deposits carried interest which range from 3.49% to 4% (2024: 4.3% to 5.05%) per annum.

7. BANK BALANCES - continued

	2025 HK$	2024 HK$
SHKP MPF Fund		
Savings accounts	11,167,863	7,114,491
Allianz Choice Balanced Fund		
Savings accounts	3,967,596	6,239,035
Invesco Global Stable Fund		
Savings accounts	2,708,017	2,039,206
Schroder MPF Core Accumulation Fund		
Savings accounts	5,197,905	3,879,633
Schroder MPF Age 65 Plus Fund		
Savings accounts	3,760,933	3,477,799

The savings accounts of the Constituent Funds were held in Standard Chartered Bank (Hong Kong) Limited., the holding company of the Trustee.

8. FINANCIAL INSTRUMENTS

Categories of financial instruments of the Scheme

	2025 HK$	2024 HK$
Financial assets		
At fair value through profit or loss	7,742,913,079	7,009,333,564
Amortised cost	139,121,074	112,672,901
Financial liabilities		
Amortised cost	142,612,838	108,322,709
Net assets attributable to members	7,739,421,315	7,013,683,756

8. FINANCIAL INSTRUMENTS - continued

	Allianz Choice Stable Growth Fund		Fidelity Balanced Fund		Fidelity Stable Growth Fund		Manulife Career Average Guaranteed Fund - SHKP		Invesco MPF Conservative Fund		SHKP MPF Fund	
	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$
Financial assets												
At fair value through profit or loss	426,827,939	405,164,285	1,403,153,352	1,333,609,157	712,172,953	687,448,470	506,654,907	462,897,606	457,507,150	293,655,211	1,566,372,199	1,353,621,620
Amortised cost	4,003,477	4,060,716	11,299,033	13,219,917	5,535,809	5,701,397	6,905,831	8,321,009	306,621,553	370,323,067	17,224,118	11,450,647
Financial liabilities												
Amortised cost	1,296,479	967,017	4,426,862	3,415,850	2,674,177	1,450,086	1,516,567	1,153,057	18,916,074	9,034,231	4,462,373	4,225,799
Net assets attributable to unitholders	429,534,937	408,257,984	1,410,025,523	1,343,413,224	715,034,585	691,699,781	512,044,171	470,065,558	745,212,629	654,944,047	1,579,133,944	1,360,846,468

	Allianz Choice Balanced Fund		Invesco Global Stable Fund		Schroder MPF Core Accumulation Fund		Schroder MPF Age 65 Plus Fund		Total	
	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$	2025 HK$	2024 HK$
Financial assets										
At fair value through profit or loss	730,939,304	674,791,833	576,977,258	556,787,631	704,310,912	567,790,526	322,570,995	264,773,628	7,407,486,969	6,600,539,967
Amortised cost	6,014,549	6,880,117	4,610,348	4,212,770	9,288,401	7,031,962	6,998,913	6,483,319	378,502,032	437,684,921
Financial liabilities										
Amortised cost	2,053,509	2,726,712	1,693,367	1,778,301	3,665,378	1,928,813	2,371,136	2,211,458	43,075,922	28,891,324
Net assets attributable to unitholders	734,900,344	678,945,238	579,894,239	559,222,100	709,933,935	572,893,675	327,198,772	269,045,489	7,742,913,079	7,009,333,564

8. FINANCIAL INSTRUMENTS - continued

Financial risk management objectives and policies

The Scheme's major financial instruments include investments in constituent funds, contributions receivable and benefits payable. The Constituent Funds' major financial instruments include financial assets at fair value through profit or loss and bank balances. Details of the financial instruments are disclosed in respective notes. The risks associated with those financial instruments include market risks (price risk, interest rate risk and currency risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The Trustee manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner. There are no changes in objectives, policies and processes in managing the risks during the current and prior periods.

Market risk

The Scheme's and the Constituent Funds' activities expose them primarily to the market risks arising from changes in market prices, interest rates and foreign exchange rates.

Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices.

The Scheme is exposed to market price risk arising from its investments in constituent funds and the underlying investments of the Constituent Funds. The Scheme's overall market positions are monitored on a monthly basis (other than these arising from interest rate risk or currency risk).

Price sensitivity

The following details the Scheme's and the Constituent Funds' sensitivity to a 5% increase or decrease in the market price of investments in constituent funds and the underlying investments of the Constituent Funds, with 5% being the sensitivity rate used when assessing price risk internally by the Trustee and represents the Scheme's and the Constituent Funds' assessment of the possible change in market price.

At the end of the reporting period, if market prices had been 5% higher/lower with all other variables held constant, the net assets attributable to members/unitholders for the year would have increased or decreased by:

8. FINANCIAL INSTRUMENTS - continued

Financial risk management objectives and policies - continued

Market risk - continued

Price sensitivity - continued

	2025 HK$	2024 HK$
Members	+/-387,145,654	+/-350,466,678
Unitholders of:		
Allianz Choice Stable Growth Fund	+/-21,341,397	+/-20,258,214
Fidelity Balanced Fund	+/- 70,157,668	+/-66,680,458
Fidelity Stable Growth Fund	+/- 35,608,648	+/-34,372,424
Manulife Career Average Guaranteed Fund - SHKP	+/- 25,332,745	+/-23,144,880
Invesco MPF Conservative Fund	N/A	N/A
SHKP MPF Fund	+/- 78,318,610	+/-67,681,081
Allianz Choice Balanced Fund	+/- 36,546,965	+/-33,739,592
Invesco Global Stable Fund	+/- 28,848,863	+/-27,839,382
Schroder MPF Core Accumulation Fund	+/- 35,215,546	+/-28,389,526
Schroder MPF Age 65 Plus Fund	+/- 16,128,550	+/-13,238,681

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Scheme and the Constituent Funds are exposed to cash flow interest rate risk as the bank balances comprise interest-bearing savings accounts. The Trustee considers that the interest rate risk of the Scheme and the Constituent Funds is minimal in view of low interest rates on savings accounts.

Invesco MPF Conservative Fund is exposed to fair value interest rate risk in relation to fixed rate certificates of deposit, listed debt securities and time deposits. As at 31 March 2025, should the relevant market interest rates drop/rise by 25 basis points with all other variables held constant, the increase/decrease in profit for the year and net assets attributable to unitholders would amount to approximately HK$382,797 (2024: HK$378,065).

8. FINANCIAL INSTRUMENTS - continued

Financial risk management objectives and policies - continued

Market risk - continued

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

As at 31 March 2025 and 2024, the Scheme and the Constituent Funds did not have any assets or liabilities denominated in currencies other than their functional currency, Hong Kong dollars. As a result, there is no currency exposure to the Scheme and the Constituent Funds and no sensitivity analysis is presented. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Scheme and the Constituent Funds.

At the end of the reporting period, financial assets of the Scheme which are exposed to credit risk consist principally of contributions receivable and bank balances. The credit risk is limited as the default of contribution from members is remote and all bank balances are placed with reputable financial institutions with high credit-ratings assigned by international credit-rating agencies.

At the end of the reporting period, financial assets of the Constituent Funds which are exposed to credit risk consist principally of amounts receivable on sale of investments, amounts receivable on subscription, bank balances and debt investments. The credit risk on amounts receivable on sale of investments is limited because the investments are held with the custodian with high credit-ratings assigned by international credit-rating agencies. The credit risk on amounts receivable on subscription is limited because all subscriptions are placed by the Scheme. The credit risk on bank balances is limited because the counterparties are banks or financial institutions with high credit ratings assigned by international credit-rating agencies. The credit risk arising from debt investments is mitigated as the debt investments held are subject to the requirement of maximum holding of 30% of net asset value for any single issuer. As at 31 March 2025 and 2024, issuers of certificates of deposit are entities with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

Liquidity risk is the risk that the Scheme and the Constituent Funds will encounter difficulty in settling a liability, including a redemption request.

8. FINANCIAL INSTRUMENTS - continued

Financial risk management objectives and policies - continued

Liquidity risk - continued

The Scheme's major financial liabilities include benefits payable, forfeitures payable, amounts payable on long service and severance payments and net assets attributable to members. The Constituent Funds' major financial liabilities include net assets attributable to unitholders, amounts payable on redemption and other payables.

Net assets attributable to members/unitholders are repayable on demand. Therefore, the Scheme is exposed to daily cash withdrawal by members as benefits, transfers out and forfeitures payable, amounts payable on long service and severance payments. The Scheme invests in the Constituent Funds with the underlying investments traded in an active market and can be readily disposed of. The Constituent Funds are exposed to daily cash redemptions of units in the Constituent Funds. The Constituent Funds invest in the APIFs with underlying investments traded in an active market and which can be readily disposed of.

The other financial liabilities of the Scheme and the Constituent Funds are matured within one month based on the remaining period from the year end date to the contractual maturity date.

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

(i) the fair values of investments in constituent funds are based on the total net asset value of the Constituent Funds in which the Scheme invests. The fair value of the investments of the Constituent Funds are based on their quoted bid prices at the end of the reporting period; and

(ii) the fair values of other financial assets and financial liabilities are determined based on estimated cash flows discounted at present market rate at the end of the reporting period.

The fair values of financial assets and financial liabilities measured at amortised cost approximate the corresponding carrying amount at the end of reporting period.

Fair value of the Scheme's and Constituent Funds' financial assets and financial liabilities that are measured at fair value on a recurring basis

The Scheme's and Constituent Funds' financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following tables give information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/ statement of assets and liabilities - Constituent Funds

Scheme

Financial assets	Fair value as at 31.3.2025	Fair value as at 31.3.2024	Fair value Hierarchy	Valuation technique and key input
Investments in constituent Funds	HK$7,742,913,079	HK$7,009,333,564	Level 2	Total net asset value of the constituent funds.

Constituent Funds

Financial assets	Fair value as at 31.3.2025	Fair value as at 31.3.2024	Fair value Hierarchy	Valuation technique and key input
Approved pooled investment fund	6,949,979,819	6,306,884,756	Level 1	Quoted bid prices in active markets.
Certificates of deposit	268,388,053	129,134,883	Level 2	Quoted bid prices in active markets or dealer quotes for similar instruments.
Treasury bills	139,767,768	74,829,149	Level 1	Quoted bid prices in active markets.
Listed debt securities	7,403,796	-	Level 1	Quoted bid prices in active markets.
Unlisted debt securities	41,947,533	89,691,179	Level 2	Quoted bid prices in active markets or dealer quotes for similar instruments
	7,407,486,969	6,600,539,967		

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Scheme

	At 31 March 2025			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at FVTPL				
Investments in constituent funds	-	7,742,913,079	-	7,742,913,079

	At 31 March 2024			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at FVTPL				
Investments in constituent funds	-	7,009,333,564	-	7,009,333,564

There were no transfers between Levels 1, 2 and 3 in the current year and prior years.

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/ statement of assets and liabilities - Constituent Funds - continued

Allianz Choice Stable Growth Fund

	At 31 March 2025			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	426,827,939	-	-	426,827,939

	At 31 March 2024			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	405,164,285	-	-	405,164,285

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

Fidelity Balanced Fund

	At 31 March 2025			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	1,403,153,352	-	-	1,403,153,352

	At 31 March 2024			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	1,333,609,157	-	-	1,333,609,157

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/ statement of assets and liabilities - Constituent Funds - continued

Fidelity Stable Growth Fund

	At 31 March 2025			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	712,172,953	-	-	712,172,953

	At 31 March 2024			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	687,448,470	-	-	687,448,470

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

Manulife Career Average Guaranteed Fund - SHKP

	At 31 March 2025			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	506,654,907	-	-	506,654,907

	At 31 March 2024			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	462,897,606	-	-	462,897,606

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/ statement of assets and liabilities - Constituent Funds - continued

Invesco MPF Conservative Fund

	At 31 March 2025			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	147,171,564	310,335,586	-	457,507,150

	At 31 March 2024			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	74,829,149	218,826,062	-	293,655,211

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

SHKP MPF Fund

	At 31 March 2025			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	1,566,372,199	-	-	1,566,372,199

	At 31 March 2024			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	1,353,621,620	-	-	1,353,621,620

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/ statement of assets and liabilities - Constituent Funds - continued

Allianz Choice Balanced Fund

	At 31 March 2025			
	Level 1	Level 2	Level 3	Total
	HK$	HK$	HK$	HK$
Financial assets at fair value through profit or loss	730,939,304	-	-	730,939,304

	At 31 March 2024			
	Level 1	Level 2	Level 3	Total
	HK$	HK$	HK$	HK$
Financial assets at fair value through profit or loss	674,791,833	-	-	674,791,833

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

Invesco Global Stable Fund

	At 31 March 2025			
	Level 1	Level 2	Level 3	Total
	HK$	HK$	HK$	HK$
Financial assets at fair value through profit or loss	576,977,258	-	-	576,977,258

	At 31 March 2024			
	Level 1	Level 2	Level 3	Total
	HK$	HK$	HK$	HK$
Financial assets at fair value through profit or loss	556,787,631	-	-	556,787,631

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/ statement of assets and liabilities - Constituent Funds - continued

Schroder MPF Core Accumulation Fund

	At 31 March 2025			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	704,310,912	-	-	704,310,912

	At 31 March 2024			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	567,790,526	-	-	567,790,526

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

Schroder MPF Age 65 Plus Fund

	At 31 March 2025			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	322,570,995	-	-	322,570,995

	At 31 March 2024			
	Level 1 HK$	Level 2 HK$	Level 3 HK$	Total HK$
Financial assets at fair value through profit or loss	264,773,628	-	-	264,773,628

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

9. RECONCILIATION OF ASSETS AND LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Contributions receivable HK$	Benefits payable HK$	Forfeitures payable HK$	Total HK$
At 1 April 2024	96,548,015	(100,792,625)	(3,244,279)	(7,488,889)
Financing cash flows	(1,105,382,430)	970,035,637	1,074,646	(134,272,147)
Contributions received and receivable	1,108,301,482	-	-	1,108,301,482
Benefits paid and payable	-	(982,283,376)	-	(982,283,376)
Forfeitures	-	-	(2,177,496)	(2,177,496)
At 31 March 2025	99,467,067	(113,040,364)	(4,347,129)	(17,920,426)
At 1 April 2023	86,277,061	(128,918,695)	(3,002,377)	(45,644,011)
Financing cash flows	(1,091,448,292)	940,938,319	1,481,454	(149,028,519)
Contributions received and receivable	1,101,719,246	-	-	1,101,719,246
Benefits paid and payable	-	(912,812,249)	-	(912,812,249)
Forfeitures	-	-	(1,723,356)	(1,723,356)
At 31 March 2024	96,548,015	(100,792,625)	(3,244,279)	(7,488,889)

10. TRANSACTIONS WITH ASSOCIATES

Except as disclosed in note 7 and below, the Scheme and the Constituent Funds did not have any transactions with associates and related parties including the Trustee and its associates or delegates during the year. All transactions were entered into in the ordinary course of business and on normal commercial terms.

(a) The Constituent Funds did not have any transactions with associates of the investment manager of SHKP MPF Fund or any of its delegates during the year.

(b) Management fee of 0.21% per annum on net asset value was charged by the investment manager, Invesco Hong Kong Limited, to Invesco MPF Conservative Fund during the year (2024: 0.21% per annum). Management fee will only be payable out of Invesco MPF Conservative Fund to the extent permitted by the MPF Ordinance. As there is no investment manager for all other Constituent Funds, no investment management fee is charged to these Constituent Funds.

10. TRANSACTIONS WITH ASSOCIATES - continued

(c) Trustee fee of 0.065% and 0.12% per annum on net asset value was charged by the Trustee to Manulife Career Average Guaranteed Fund - SHKP and all other Constituent Funds, respectively, except for Invesco MPF Conservative Fund, SHKP MPF Fund, Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund.

Trustee fee of 0.16% per annum on net asset value was charged by the Trustee to Invesco MPF Conservative Fund during the year (2024: 0.12% per annum). Trustee fee will only be payable out of Invesco MPF Conservative Fund to the extent permitted by the MPF Ordinance. Trustee fee of 0.065% per annum on net asset value was charged by the Trustee to SHKP MPF Fund.

Trustee fee of up to 0.28% per annum on net asset value was charged by the Trustee to Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund. Trustee fee of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund is inclusive of management fee of up to 0.11% per annum (taking into account any fee rebate or waiver from the investment manager of the Underlying Fund) and a trustee fee of 0.05% per annum respectively to the investment manager and the trustee of the underlying fund for providing investment management and trustee services.

The amounts of trustee fees charged to the respective Constituent Funds for the year are shown in the revenue statement - Constituent Funds.

At the end of the reporting period, the trustee fees payable were as follows:

		2025 HK$	2024 HK$
1	Allianz Choice Stable Growth Fund	44,024	157,513
2	Fidelity Balanced Fund	145,699	514,631
3	Fidelity Stable Growth Fund	73,470	266,777
4	Manulife Career Average Guaranteed Fund - SHKP	28,028	58,041
5	Invesco MPF Conservative Fund	100,392	385,109
6	SHKP MPF Fund	87,865	161,150
7	Allianz Choice Balanced Fund	75,823	259,095
8	Invesco Global Stable Fund	59,228	220,768
9	Schroder MPF Core Accumulation Fund	166,450	273,561
10	Schroder MPF Age 65 Plus Fund	75,728	135,048

10. TRANSACTIONS WITH ASSOCIATES - continued

(d) Administration fee of 0.28% per annum on net asset value was charged by the Administrator to all Constituent Funds until 1 October 2024. Administration fee will only be payable out of Invesco MPF Conservative Fund to the extent permitted by the MPF Ordinance. The Administrator will bear any administration fee which is not permitted to be paid out of Invesco MPF Conservative Fund. The amounts of administration fees charged to respective Constituent Funds for the year are shown in the revenue statement - Constituent Funds. eMPF Platform Fee of 0.24% per annum on net asset value was charged by the eMPF Platform Company Limited to all Constituent Funds start from 2 October 2024.

With effect from 2 October 2024, the eMPF Platform Company Limited (the "Platform Company") has taken up the administration of the Scheme and provides scheme administration services to handle instruction from employees and members directly through the eMPF Platform. Effective from, 2 October 2024 fees to the Platform Company have been introduced for each constituent fund. The Platform Company is entitled to received a fee at the following percentage per annum of the net asset value of the respective constituent funds. The eMPF platform fee payable at the year end date was as follows:

		2025	
		Fee rate	HK$
1	Allianz Choice Stable Growth Fund	0.24%	88,048
2	Fidelity Balanced Fund	0.24%	291,398
3	Fidelity Stable Growth Fund	0.24%	146,941
4	Manulife Career Average Guaranteed Fund - SHKP	0.24%	103,487
5	Invesco MPF Conservative Fund	0.24%	150,587
6	SHKP MPF Fund	0.24%	324,425
7	Allianz Choice Balanced Fund	0.24%	151,646
8	Invesco Global Stable Fund	0.24%	118,456
9	Schroder MPF Core Accumulation Fund	0.24%	145,265
10	Schroder MPF Age 65 Plus Fund	0.24%	66,090

(e) Accounting fee totalling HK$194,950 (2024: HK$195,037) was charged by the Trustee to the Constituent Funds on an equally allocated basis, except for Invesco MPF Conservative Fund which was charged at HK$24,325 in 2025 (2024: HK$24,412) and Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund which were not charged any fee in 2025 (2024: HK$Nil). Accounting fee will only be payable out of Invesco MPF Conservative Fund to the extent permitted by the MPF Ordinance. The Administrator will bear any accounting fee which is not permitted to be paid out of Invesco MPF Conservative Fund.

10. TRANSACTIONS WITH ASSOCIATES - continued

(f) As at 31 March 2025, the Scheme and the Constituent Funds placed bank balances amounting to HK$24,978,249 and HK$97,374,192 respectively (2024: HK$8,074,381 and HK$64,298,336 respectively) and carrying interest at prevailing market rates with Standard Chartered Bank (Hong Kong) Limited. Interest income of HK$3,873 and HK$505,061 (2024: HK$1,862 and HK$628,676) have been earned by the Scheme and the Constituent Funds with Standard Chartered Bank (Hong Kong) Limited respectively.

Standard Chartered Bank (Hong Kong) Limited is the holding company of the Trustee.

The related bank balances with Standard Chartered Bank (Hong Kong) Limited for each Constituent Fund as at reporting date were as follows:

		2025 HK$	2024 HK$
1	Allianz Choice Stable Growth Fund	2,881,112	3,475,496
2	Fidelity Balanced Fund	6,798,942	10,242,428
3	Fidelity Stable Growth Fund	3,426,029	4,118,786
4	Manulife Career Average Guaranteed Fund - SHKP	5,484,999	7,095,588
5	Invesco MPF Conservative Fund	51,980,796	16,615,874
6	SHKP MPF Fund	11,167,863	7,114,491
7	Allianz Choice Balanced Fund	3,967,596	6,239,035
8	Invesco Global Stable Fund	2,708,017	2,039,206
9	Schroder MPF Core Accumulation Fund	5,197,905	3,879,633
10	Schroder MPF Age 65 Plus Fund	3,760,933	3,477,799

11. PAYMENTS CHARGED TO DEFAULT INVESTMENT STRATEGY CONSTITUENT FUNDS

In accordance with the Mandatory Provident Fund legislation (the "MPF legislation"), the aggregate of the payments for services of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund must not, in a single day, exceed a daily rate of 0.75% per annum of the net asset value of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund divided by the number of days in the year respectively.

The above aggregate of the payments for services includes, but is not limited to, the fees paid or payable for the services provided by the Trustee, the Administrator, the Investment Manager, the Custodian and the Sponsor and/or promoter of the Scheme and the underlying investment funds of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund, and any of the delegates from these parties and such fees are calculated as a percentage of the net asset value of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund and their underlying investment funds, but does not include any out-of-pocket expenses incurred by Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund and their underlying investment funds.

In accordance with the MPF legislation, the total amount of all payments that are charged to or imposed on Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund or members who invest in Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund, for out-of-pocket expenses incurred by the Trustee on a recurrent basis in the discharge of the Trustee's duties to provide services in relation to Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund, shall not in a single year exceed 0.2% per annum of the net asset value of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund.

11. PAYMENTS CHARGED TO DEFAULT INVESTMENT STRATEGY CONSTITUENT FUNDS - continued

For this purpose, out-of-pocket expenses include, for example, annual audit expenses, printing or postage expenses relating to recurrent activities (such as issuing annual benefit statements), recurrent legal and professional expenses, safe custody charges which are customarily not calculated as a percentage of the net asset value and transaction costs incurred by Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund in connection with recurrent acquisition of investments for Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund (including, for example, costs incurred in acquiring underlying funds) and annual statutory expenses (such as compensation fund levy where relevant) of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund. Out-of-pocket expenses that are not incurred on a recurrent basis may still be charged to or imposed on Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund or members who invests in Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund and such out-of-pocket expenses are not subject to the above statutory limit.

For the year ended 31 March 2025

	Schroder MPF Core Accumulation Fund HK$	Schroder MPF Age 65 Plus Fund HK$
Payments for services		
Administration fee	875,737	402,126
eMPF Platform fee	822,548	371,614
Trustee fee	1,677,497	763,306
	3,375,782	1,537,046
Payments for services expressed as a daily percentage of net asset value	0.51%	0.51%
Proportionate underlying investment fund fees rate	-	-
Aggregate percentage of payments for services	0.51%	0.51%
Out-of-pocket expenses		
Auditor's remuneration	44,372	21,275
Miscellaneous expenses	4,560	4,560
MPF indemnity insurance	78,861	38,694
Publishing fee	9,539	9,673
Printing and postage fee	50,002	50,002
Registration fee	220	220
Set up expenses	92,663	92,663
Legal and professional fee	31,694	15,196
Bank charges	430	430
	312,341	232,713

11. PAYMENTS CHARGED TO DEFAULT INVESTMENT STRATEGY CONSTITUENT FUNDS - continued

For the year ended 31 March 2025 - continued

	Schroder MPF Core Accumulation Fund HK$	Schroder MPF Age 65 Plus Fund HK$
Out-of-pocket expenses expressed as a daily percentage of net asset value	0.05%	0.08%

For the year ended 31 March 2024

	Schroder MPF Core Accumulation Fund HK$	Schroder MPF Age 65 Plus Fund HK$
Payments for services		
Administration fee	1,295,304	667,948
Trustee fee	1,103,647	569,307
	2,398,951	1,237,255
Payments for services expressed as a daily percentage of net asset value	0.52%	0.52%
Proportionate underlying investment fund fees rate	-	-
Aggregate percentage of payments for services	0.52%	0.52%
Out-of-pocket expenses		
Auditor's remuneration	53,252	28,406
Miscellaneous expenses	4,400	4,400
MPF indemnity insurance	62,045	33,569
Publishing fee	11,130	11,130
Printing and postage fee	19,998	19,998
Registration fee	215	215
Set up expenses	92,663	92,663
Legal and professional fee	49,502	27,660
Bank charges	233	219
	293,438	218,260
Out-of-pocket expenses expressed as a daily percentage of net asset value	0.06%	0.09%

12. CONTRIBUTIONS

Mandatory contributions for both the employers and members are equal to 5% of the members' relevant income. The minimum level of relevant income for mandatory contribution for each member is HK$7,100 per month. For members earning less than HK$7,100 per month, the members' mandatory contribution is nil. The maximum level of relevant income for mandatory contribution for each member is HK$30,000 per month.

Any contributions made to the Scheme by the employers or members in excess of their mandatory contributions are additional voluntary contributions.

13. BENEFITS

Members will become entitled to benefits in respect of mandatory contributions to the Scheme in the circumstances set out in the Ordinance. Currently, these circumstances include where the members (i) reach the age of 65; (ii) permanently cease employment, after reaching the age of 60 or as a result of permanent incapacity; (iii) permanently departure from Hong Kong; (iv) die; (v) have the right to claim a small balance pursuant to the Ordinance or (vi) has terminal illness.

Members will become entitled to benefits in respect of voluntary contributions to the Scheme in circumstances set out in the Trust Deed and the relevant participation agreement.

14. BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

The Scheme and its Constituent Funds had no bank loans, overdrafts or borrowings as at 31 March 2025 and 2024.

15. ACCRUED VESTED BENEFITS

The total accrued benefits vested in the members' accounts amounted to HK$7,712,158,634 as at 31 March 2025 (2024: HK$6,997,394,873).

16. SOFT COMMISSION ARRANGEMENTS

There are no soft commission arrangements relating to dealings in the property of the Constituent Funds during the year.

17. SECURITY LENDING ARRANGEMENTS

During the years ended 31 March 2025 and 2024, the Scheme and its Constituent Funds did not enter into any security lending arrangements.

18. NEGOTIABILITY OF ASSETS

At 31 March 2025 and 2024, there were no statutory or contractual requirements restricting the negotiability of assets of the Scheme and the Constituent Funds.

19. COMMITMENTS

The Scheme and the Constituent Funds had no commitments as at 31 March 2025 and 2024.

20. CONTINGENT LIABILITIES

The Scheme and the Constituent Funds had no contingent liabilities as at 31 March 2025 and 2024.

21. MARKETING EXPENSES

There have been no advertising expenses, promotional expenses or commissions or brokerage fees paid and payable to the MPF intermediaries deducted from the Scheme or the Constituent Funds during the years ended 31 March 2025 and 2024.

22. FUND EXPENSE RATIO

Pursuant to section 19Y and section 19Z of the MPFSO, the Trustee has determined the fund expense ratio and permitted percentage, respectively, for each constituent fund in accordance with Schedule 13 to the MPFSO for the period from 2 January 2025 (the material day, as appointed under section 19ZE(1)(b) of MPFSO, specified in the Mandatory Provident Fund Schemes (Appointment of Dates for Purposes of Section 19Y(3) Notice) to 31 March 2025, as set out in the below table.

No comparative information had been presented as the related requirements were not effective during the comparative period ended 31 March 2024.

The following table summarizes the fund expenses ratio ("FER") of the Constituent Funds for the corresponding period:

		Permitted Percentage %	Annualised FER For the period from 2 January 2025 (material day) to31 March 2025 %
1	Allianz Choice Stable Growth Fund	0.93381%	0.99145%
2	Fidelity Balanced Fund	0.94203%	0.89022%
3	Fidelity Stable Growth Fund	0.94533%	0.89785%
4	Manulife Career Average Guaranteed Fund - SHKP	2.22260%	2.26645%
5	Invesco MPF Conservative Fund	N/A	0.66245%
6	SHKP MPF Fund	0.65005%	0.65993%
7	Allianz Choice Balanced Fund	0.92882%	0.98860%
8	Invesco Global Stable Fund	0.80703%	0.83275%
9	Schroder MPF Core Accumulation Fund	0.58382%	0.57753%
10	Schroder MPF Age 65 Plus Fund	0.58294%	0.60382%

23. COMPARATIVES ACCOUNTS

During the current year, management assessed the classification and presentation of certain items in the financial statements. As a result, the comparative figures for bank balances, note 7 and note 10(c) has been reclassified to conform to the current year's presentation.

UNAUDITED INVESTMENT REPORT
FOR THE YEAR ENDED 31 MARCH 2025

This unaudited Investment Report provides an analysis of the investments of SHKP MPF Employer Sponsored Scheme (the "Scheme") and its constituent funds and the movements in net asset value and performance of the constituent funds. Except for Invesco MPF Conservative Fund which is a direct investment fund, each constituent fund is a feeder fund investing in a single and separate underlying approved pooled investment fund.

The investment objective and policy of each constituent fund are summarised below:

1. Allianz Choice Stable Growth Fund

The Fund aims to achieve a stable overall return over the long term by investing in a diversified portfolio of global equities and fixed-interest securities. The Fund will invest in an Approved Pooled Investment Fund, Allianz Global Investors Choice Fund - Allianz Choice Stable Growth Fund ("Underlying Fund"), managed by Allianz Global Investors Asia Pacific Limited ("Manager"). Investment will include a diversified portfolio of global equities and fixed-interest securities. It is expected that the Underlying Fund will invest 50% of its assets in equities and 50% in fixed-interest securities. The fixed income portion will consist of a range of instruments issued in countries around the world. The equity portion of the Underlying Fund will be invested primarily in the Hong Kong, Japan, North American and European markets with a smaller proportion, being invested, at the discretion of the Manager, in other Asian countries and emerging markets. Such smaller proportion of the equity portion of the Underlying Fund may be invested in China A-Shares, in which the Underlying Fund may invest less than 30% of its equity portion. For the avoidance of doubt, the limit of the Underlying Fund's investment in China A-Shares is calculated based on the Underlying Fund's equity portion (instead of the Underlying Fund's net asset value).

The Underlying Fund, a sub-fund of Allianz Global Investors Choice Fund, is a fund of funds investing substantially all its assets in (i) other sub-funds of the Allianz Global Investors Choice Fund ("Other APIFs") and/or (ii) Approved Index-Tracking Funds ("Underlying ITCIS") as determined by the Manager from time to time to be appropriate to provide the desired investment exposure for the Underlying Fund based on its investment objective and policy. All Other APIFs are approved as Approved Pooled Investment Funds by the Authority and authorized by the Commission and all Underlying ITCIS are approved by the Authority. The Underlying Fund may invest at least 40% and up to 60% of its assets in global equities (out of which less than 30% of such equity portion of the Underlying Fund may be invested in China A-Shares) and at least 40% and up to 60% of its assets in fixed interest securities via the Other APIFs and/or Underlying ITCIS. The Underlying Fund will invest in 5 or more Other APIFs and/or Underlying ITCIS.

It is expected that the Underlying Fund will invest 70% to 100% of its net asset value in the Other APIFs and not more than 30% of its net asset value in the Underlying ITCIS.

2. Fidelity Balanced Fund

The objective of this Fund is to build capital value over the long term. The Fund will invest in an Approved Pooled Investment Fund, Fidelity Global Investment Fund - Balanced Fund ("Underlying Fund"), managed by FIL Investment Management (Hong Kong) Limited. The Underlying Fund (which is a fund of funds) normally invests 70% of its net asset value in global equities and 30% of its net asset value in global bonds and cash, although actual portfolios may vary as market and other conditions change.

The Underlying Fund will have a broad geographic scope with a bias towards Hong Kong.

3. Fidelity Stable Growth Fund

The objective of this Fund is to generate a positive return over the long term. The Fund will invest in an Approved Pooled Investment Fund, Fidelity Global Investment Fund - Stable Growth Fund ("Underlying Fund"), managed by FIL Investment Management (Hong Kong) Limited. The Underlying Fund (which is a fund of funds) will normally allocate 50% of its net asset value to global equities, 50% to global bonds and cash, although actual portfolios may vary as market and other conditions change.

4. Manulife Career Average Guaranteed Fund - SHKP

The Fund seeks to achieve long term capital growth while also providing a minimum guaranteed career average return through investment in an Approved Pooled Investment Fund, Manulife Career Average Guaranteed Fund ("Underlying Fund"), guaranteed by the Guarantor and managed by Manulife Investment Management (Hong Kong) Limited ("Manager").

The portfolio of the Underlying Fund will include global debt securities and may also include equity securities denominated in Hong Kong dollars or other currencies.

The Underlying Fund will invest predominantly in global debt securities to seek to ensure that the guaranteed return can be achieved. Initially the portfolio will be predominantly weighted (up to 100%) towards debt securities but the weighting of debt securities may reduce whilst investment in global equities may increase to up to 20% over time. Based on the Manager's view that the guaranteed return is achievable, the Underlying Fund will invest in global equities with a view to enhancing the actual return.

The Underlying Fund may invest in the above mentioned securities directly or through Approved Index-Tracking Funds.

5. Invesco MPF Conservative Fund

The Fund is managed by Invesco Hong Kong Limited. The investment objective of the Fund is to preserve capital with minimal risk.* The Fund will invest in HK dollar deposits, HK dollar denominated money market instruments as well as short-dated fixed interest securities. It will invest in a manner consistent with those set out in Section 37 of the Mandatory Provident Fund Schemes (General) Regulation (the "MPF Regulation").

* It is not a guaranteed fund.

The portfolio of the Fund will include cash deposits, certificates of deposit, government and corporate Hong Kong debt securities. The portfolio of the fund will have an average maturity of not more than 90 days.

The Fund will maintain an "effective currency exposure" to HK dollars (as defined in the MPF Regulation) of 100%.

6. SHKP MPF Fund

The Fund seeks to achieve medium capital growth with medium volatility. The long-term return objective is to exceed Hong Kong inflation. The Fund will invest in an Approved Pooled Investment Fund, SHKP Nexus Fund - SHKP MPF Fund ("Underlying Fund"), managed by Nexus Investment Management Limited. The underlying fund will normally invest 27%-67% in equities and equity related investments and the remainder in deposits, debt securities and other investments permitted under the Mandatory Provident Fund Schemes (General) Regulation.

The Underlying Fund is globally diversified but is biased towards Hong Kong.

7. Allianz Choice Balanced Fund

The Fund seeks to achieve a high level (above market) of overall return over the long term by investing in a diversified portfolio of global equities and fixed interest securities. The Fund will invest in an Approved Pooled Investment Fund, Allianz Global Investors Choice Fund - Allianz Choice Balanced Fund ("Underlying Fund"), managed by Allianz Global Investors Asia Pacific Limited ("Manager"). Investment will include a diversified portfolio of global equities and fixed-interest securities. It is expected that 70% of its assets of the Underlying Fund will be invested in equities and 30% in fixed-interest securities.

The fixed income portion will consist of a range of instruments issued in countries around the world. The equity portion of the Underlying Fund will be invested primarily in the Hong Kong, Japan, North American and European markets with a smaller proportion, being invested, at the discretion of the Manager, in other Asian countries and emerging markets. Such smaller proportion of the equity portion of the Underlying Fund may be invested in China A-Shares, in which the Underlying Fund may invest less than 30% of its equity portion. For the avoidance of doubt, the limit of the Underlying Fund's investment in China A-Shares is calculated based on the Underlying Fund's equity portion (instead of the Underlying Fund's net asset value).

7. Allianz Choice Balanced Fund - continued

The Underlying Fund, a sub-fund of Allianz Global Investors Choice Fund, is a fund of funds investing substantially all its assets in (i) other sub-funds of the Allianz Global Investors Choice Fund ("Other APIFs") and/or (ii) Approved Index-Tracking Funds ("Underlying ITCIS") as determined by the Manager from time to time to be appropriate to provide the desired investment exposure for the Underlying Fund based on its investment objective and policy. All Other APIFs are approved as approved pooled investment funds by the Authority and authorized by the Commission and all Underlying ITCIS are approved by the Authority. The Underlying Fund may invest at least 60% and up to 80% of its assets in global equities (out of which less than 30% of such equity portion of the Underlying Fund may be invested in China A-Shares) and at least 20% and up to 40% of its assets in fixed interest securities via the Other APIFs and/or Underlying ITCIS. The Underlying Fund will invest in 5 or more Other APIFs and/or Underlying ITCIS.

It is expected that the Underlying Fund will invest 70% to 100% of its net asset value in the Other APIFs and not more than 30% of its net asset value in the Underlying ITCIS.

8. Invesco Global Stable Fund

The Fund seeks to achieve capital preservation over the long term whilst seeking to enhance return through limited exposure of global equities. The Fund will invest in an approved pooled investment fund, Invesco Pooled Investment Fund - Global Stable Fund, the underlying fund managed by Invesco Hong Kong Limited. The underlying fund which is a fund of funds seeks to provide investors with a stable return by investing mainly in global bonds with some additional growth potential through exposure to global equities. The underlying fund will normally invest 70% of its net asset value in global bonds and 30% of its net asset value in global equities.

9. Schroder MPF Core Accumulation Fund

The investment objective of the Fund is to achieve capital growth by investing in a globally diversified manner. The Fund shall invest in an Approved Pooled Investment Fund named Schroder MPF Core 60/40 Fund ("Underlying Fund"). The Underlying Fund is a fund of funds which invests in two Approved Pooled Investment Funds managed by Schroder Investment Management (Hong Kong) Limited as allowed under the Mandatory Provident Fund Schemes (General) Regulation.

The two underlying Approved Pooled Investment Funds invested by the Underlying Fund will be actively managed with reference to the constituent index for equity securities and the constituent index for fixed income securities (each a "Constituent Index") under the Reference Portfolio respectively. The two underlying Approved Pooled Investment Funds adopt an investment strategy which selects securities based on certain characteristics such as (in the case of equity securities) attractive valuation, high quality, and low return volatility, and (in the case of fixed income securities) maturity, credit rating and liquidity, to build a diversified portfolio of equity securities and a diversified portfolio of fixed income securities, respectively. Up to 10% of the net asset value of the underlying Approved Pooled Investment Funds may be invested in securities other than the underlying securities of the respective Constituent Index with the aim to enhance returns or reduce portfolio risks when compared to similar underlying securities of the respective Constituent Index.

10. Schroder MPF Age 65 Plus Fund

The investment objective of the Fund is to achieve stable growth by investing in a globally diversified manner. The fund shall invest in an Approved Pooled Investment Fund named Schroder MPF Core 20/80 Fund (the "Underlying Fund"). The Underlying Fund is a fund of funds which invests in two Approved Pooled Investment Funds managed by Schroder Investment Management (Hong Kong) Limited as allowed under the Mandatory Provident Fund Schemes (General) Regulation.

The two underlying Approved Pooled Investment Funds invested by the Underlying Fund will be actively managed with reference to the constituent index for equity securities and the constituent index for fixed income securities (each a "Constituent Index") under the Reference Portfolio respectively. The two underlying Approved Pooled Investment Funds adopt an investment strategy which selects securities based on certain characteristics such as (in the case of equity securities) attractive valuation, high quality, and low return volatility, and (in the case of fixed income securities) maturity, credit rating and liquidity, to build a diversified portfolio of equity securities and a diversified portfolio of fixed income securities, respectively. Up to 10% of the net asset value of the underlying Approved Pooled Investment Funds may be invested in securities other than the underlying securities of the respective Constituent Index with the aim to enhance returns or reduce portfolio risks when compared to similar underlying securities of the respective Constituent Index.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

The Trustee's commentary on analysis of the investments held by the Scheme and supporting information of its commentary are summarised below:

Trustee's commentary

1. Allianz Choice Stable Growth Fund

	Annualised return			
	1 year %	5 years %	10 years %	Since launch %
Allianz Choice Stable Growth Fund (launch date: 1 December 2000)	6.24	4.29	2.75	4.01
Performance Target Willis Towers Watson Median (Equity Content 40%-60%)	5.5	3.2	2.1	N/A
Deviation from the performance target (Median)	0.74	1.09	0.65	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 40%-60%)	8.3	4.4	3.5	N/A
Deviation from the performance target (Benchmark)	-2.06	-0.11	-0.75	N/A

The fund has outperformed the Performance Target (Median) over 1, 5 and 10 years.
The fund has underperformed the Performance Target (Benchmark) over 1, 5 and 10 years.

During Q2 and Q3 2024, global equities moved markedly higher as sentiment was buoyed by the US Federal Reserve's decision to start cutting rates and China's announcement of the largest stimulus measures since the pandemic. However, performance at a regional level was bifurcated. US shares continued to power ahead for much of the period, with many emerging markets also delivering robust gains, but Japanese stocks declined. Global bonds also delivered positive returns as most major central banks started their easing cycle. During Q4 2024 and Q1 2025, global equities exhibited mixed results, against a volatile economic and geopolitical backdrop. US stocks soared in the final quarter of 2024 after the President Donald Trump's decisive win in the November elections boosted hopes of tax cuts and looser regulation, but slumped after Trump entered the White House, losing their earlier gains as they posted their worst quarter since 2022: the new administration's erratic trade policies and federal layoffs sparked fears of weak consumer spending and slower economic growth. The rotation out of big-tech names also undermined US shares, with investors seeking markets that offered better value, such as Europe. Elsewhere, Chinese stocks benefitted from DeepSeek's AI success and hopes of further stimulus from Beijing. However, growing fears of a trade war continued to pressure global markets, with shares falling sharply at the end of March as the US president's self-dubbed "Liberation Day" of sweeping tariffs on 2 April drew closer. Global bonds sold off over the six months to 31 March 2025. Japanese bonds were among the weakest performers as the Bank of Japan pressed ahead with its drive to normalise monetary policy. European bond yields also rose sharply, particularly in March after Germany relaxed its debt brake in order to significantly step up its defence and infrastructure spending. Bond yields also rose in the US as Donald Trump's policies were expected to push up inflation, although these losses were tempered by signs of slowing US economic activity in the first quarter of 2025.

Trustee's commentary - continued

1. Allianz Choice Stable Growth Fund - continued

The fund underperformed its benchmark during the period. Stock selection in HK/China market has been the key performance detractor, mainly driven by names in Technology and Financials sectors. The overweight positioning in onshore China market has added some value. US equity exposure also detracted from relative performance, driven by stock selection in various sectors, including Technology, Industrials, Energy and Consumer Discretionary. On the positive side, fixed income investments have contributed positively during the period. Investments in US bonds and underweight position in JPY government bonds have been the key contributors.

2. Fidelity Balanced Fund

	Annualised return			
	1 year %	5 years %	10 years %	Since launch %
Fidelity Balanced Fund (launch date: 1 December 2000)	8	4.3	3.06	4.72
Performance Target Willis Towers Watson Median (Equity Content 60%-80%)	7.8	5.4	3	N/A
Deviation from the performance target (Median)	0.2	-1.1	0.06	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 60%-80%)	10.9	7	4.7	N/A
Deviation from the performance target (Benchmark)	-2.9	-2.7	-1.64	N/A

The fund has outperformed the Performance Target (Median) over 1 and 10 years, yet underperformed over 5 years. The fund has underperformed the Performance Target (Benchmark) over 1, 5 and 10 years.

Global equities saw positive returns in US dollar terms over the 12-month period due to resilient economic data and easing monetary policies, particularly in developed markets. Markets gained over the first half of the period as signs of easing inflation and favourable US economic data supported prospects for monetary policy easing. However, gains were limited over this period owing to elevated geopolitical uncertainties and the Bank of Japan (BoJ)'s decision to increase interest rates, which led to a rapid unwinding of carry trades. Over the second half of the review period, markets remained volatile with returns diverging across regions. The outcome of the US presidential election, a potential resolution to the Ukraine crisis and supportive policy stance in China boosted investor sentiment. However, concerns around trade tariffs and their potential impact on inflation and growth in the US, along with the US Federal Reserve (Fed)'s cautious stance on interest rate cuts in 2025, kept markets in check.

Trustee's commentary - continued

2. Fidelity Balanced Fund - continued

Global bond markets faced significant volatility and broadly generated positive returns during the period. Sentiment came under pressure and bond yields continued their uptrend in early 2024 due to sticky inflation. Nevertheless, markets began to rebound in May and remained positive through September, as a pickup in economic data led markets to recalibrate their expectations on interest rates, causing US Treasury yields to rise. US elections and a growing focus on fiscal policy risk, as well as the UK government's announcement of additional borrowing in its budget, also contributed to market volatility. At the beginning of 2025, expectations of slower US Fed rate cuts pushed yields higher. However, this sentiment was reversed later as lower-than-expected US and UK inflation data prints and weak US economic data caused sovereign yields to retreat. Sentiment turned increasingly risk-off as the Trump administration introduced aggressive tariffs, leading to rising recession fears. Meanwhile, Europe witnessed a substantial fiscal shift toward higher defence spending, leading to a rise in German 10-year government bond (Bund) yields.

The fund generated positive returns over the year, mostly due to the exposure to equities. Hong Kong/China equities led the gains, owing to highly supportive policies aiming to remove the downside systematic risk to the overall economy. European and US equity strategies enhanced gains, while Japanese and emerging market equity strategies came under pressure amid a volatile market backdrop. Meanwhile, the tilt to high-grade bonds and the exposures to gold and inflation-linked bonds supported returns. The manager took profits and reduced the overall equity allocation towards the second half of the review period. The proceeds were rotated into bonds and cash.

Overall, the fund retained a tilt towards Hong Kong/ China equities on the back of a supportive policy backdrop and a continued optimism regarding artificial intelligence in China. The manager reduced the exposure to US equities and turned underweight in the region amid uncertainties around trade tariffs under a Trump administration towards the end of the review period.

The fund underperformed its benchmark during the period. The fund’s overweight positions in European equities, underweight position in bonds, and security selection in Asia Pacific equities and bonds contributed positively to relative return. However, the fund’s security selection within US, European and Japanese equities detracted overall relative performance.

Trustee's commentary - continued

3. Fidelity Stable Growth Fund

	Annualised return 1 year %	5 years %	10 years %	Since launch %
Fidelity Stable Growth Fund (launch date: 1 December 2000)	5.75	2.42	2.26	4.17
Performance Target Willis Towers Watson Median (Equity Content 40%-60%)	5.5	3.2	2.1	N/A
Deviation from the performance target (Median)	0.25	-0.78	0.16	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 40%-60%)	8.3	4.4	3.5	N/A
Deviation from the performance target (Benchmark)	-2.55	-1.98	-1.24	N/A

The fund has outperformed the Performance Target over 1 and 10 years, yet underperformed over 5 years. The fund has underperformed the Performance Target(Benchmark) over 1, 5 and 10 years.

Global equities saw positive returns in US dollar terms over the 12-month period due to resilient economic data and easing monetary policies, particularly in developed markets. Markets gained over the first half of the period as signs of easing inflation and favourable US economic data supported prospects for monetary policy easing. However, gains were limited over this period owing to elevated geopolitical uncertainties and the Bank of Japan (BoJ)'s decision to increase interest rates, which led to a rapid unwinding of carry trades. Over the second half of the review period, markets remained volatile with returns diverging across regions. The outcome of the US presidential election, a potential resolution to the Ukraine crisis and supportive policy stance in China boosted investor sentiment. However, concerns around trade tariffs and their potential impact on inflation and growth in the US, along with the US Federal Reserve (Fed)'s cautious stance on interest rate cuts in 2025, kept markets in check.

Global bond markets faced significant volatility and broadly generated positive returns during the period. Sentiment came under pressure and bond yields continued their uptrend in early 2024 due to sticky inflation. Nevertheless, markets began to rebound in May and remained positive through September, as a pickup in economic data led markets to recalibrate their expectations on interest rates, causing US Treasury yields to rise. US elections and a growing focus on fiscal policy risk, as well as the UK government's announcement of additional borrowing in its budget, also contributed to market volatility. At the beginning of 2025, expectations of slower US Fed rate cuts pushed yields higher.

Trustee's commentary - continued

3. Fidelity Stable Growth Fund - continued

However, this sentiment was reversed later as lower-than-expected US and UK inflation data prints and weak US economic data caused sovereign yields to retreat. Sentiment turned increasingly risk-off as the Trump administration introduced aggressive tariffs, leading to rising recession fears. Meanwhile, Europe witnessed a substantial fiscal shift toward higher defence spending, leading to a rise in German 10-year government bond (Bund) yields.

The fund generated positive returns over the year, mostly due to the exposure to equities. Hong Kong/China equities led the gains, owing to highly supportive policies aiming to remove the downside systematic risk to the overall economy. European and US equity strategies enhanced gains, while Japanese and emerging market equity strategies came under pressure amid a volatile market backdrop. Meanwhile, the tilt to high-grade bonds and the exposures to gold and inflation-linked bonds supported returns. The manager took profits and reduced the overall equity allocation towards the second half of the review period. The proceeds were rotated into bonds and cash.

Overall, the fund retained a tilt towards Hong Kong/ China equities on the back of a supportive policy backdrop and a continued optimism regarding artificial intelligence in China. The manager reduced the exposure to US equities and turned underweight in the region amid uncertainties around trade tariffs under a Trump administration towards the end of the review period.

The fund underperformed its benchmark during the period. The fund’s overweight positions in European equities, underweight position in bonds, and security selection in Asia Pacific equities and bonds contributed positively to relative return. However, the fund’s security selection within US, European and Japanese equities detracted overall relative performance.

4. Manulife Career Average Guaranteed Fund - SHKP

	Annualised return			
	1 year %	5 years %	10 years %	Since launch %
Manulife Career Average Guaranteed Fund - SHKP (launch date: 1 December 2000)	4.22	-0.58	0.55	0.9
Performance Target Willis Towers Watson Median (Guaranteed Fund)	4.2	0	0.3	N/A
Deviation from the performance target (Median)	0.02	-0.58	0.25	N/A
Performance Target Willis Towers Watson Benchmark (Guaranteed Fund)	N/A	N/A	N/A	N/A
Deviation from the performance target (Benchmark)	N/A	N/A	N/A	N/A

Trustee's commentary – continued

4. Manulife Career Average Guaranteed Fund – SHKP – continued

The fund has outperformed the Performance Target (Median) over 1 and 10 years, yet underperformed over 5 years.

In the United States, Treasury yields were volatile over the period given various headwinds including global growth slowdown, monetary policy uncertainties, and geopolitical tensions. The Treasury yield curve normalized and returned to an upward-sloping shape as the US Federal Reserve (Fed) kickstarted its long-awaited rate cut cycle in September 2024 and cut its benchmark interest rate over its last three Federal Open Market Committee (FOMC) meetings of 2024, by a total of 100 bps.

During the March 2025 Federal Open Market Committee (FOMC) meeting, Fed Chair Jerome Powell reiterated that the FOMC was in no hurry to adjust its policy stance further and kept its interest rate unchanged at 4.25%-4.50%, although the average dot plot edged higher on the back of policy uncertainty and potentially higher inflation from upcoming tariffs. Over the period, the 10-year Treasury yield declined to a low of 3.78% in September before finishing the period marginally higher at 4.21%. Hong Kong interest rates moved lower over the period with the HKMA decreasing its base rate to 4.75% from 5.75% over the period. The 10-year Hong Kong government bond yield ended at 3.51% from 3.71% at the beginning of the period.

On April 3, US announced tariffs policy with 10% universal tariff on all geographic regions and individualized reciprocal tariffs (ranging between 10%- 49%). In reaction to the extensive tariff hikes, financial markets experienced stress and extreme volatility, rarely seen since the Covid pandemic. President Trump has since announced a 90-day extension for global reciprocal tariffs for geographic regions except China. Market expectations on 2025 projected Fed rate cuts have swung between 2 and 5 cuts while the US Federal Reserve chair Powell suggested that the FOMC would not adjust its policy stance for now. US monetary policy direction is now unclear. Higher and more persistent inflation expectations appear less anchored while slower economic growth is anticipated.

HKD appreciated to 7.76 against the dollar, closer to the stronger side of 7.75-7.85 range. Despite a sharp sell-off in Hong Kong equities, the currency move resulted from repatriation flows and unwinding of interest rate arbitrage trades. Hong Kong's aggregate balance remained stable at around HKD44.6bn while southbound flows remained robust and HKD funding levels remained loose. Under an extreme global financial stress environment, Hong Kong's bond market is expected to be relatively calm. However, it may underperform US rates due to the still-wide rates differential, a revival of HK stock market turnover, as well as increasing government and quasi-government bond supply.

Trustee's commentary - continued

5. Invesco MPF Conservative Fund

	Annualised return			
	1 year %	5 years %	10 years %	Since launch %
Invesco MPF Conservative Fund (launch date: 1 December 2000)	3.51	1.8	1.16	0.9
Performance Target Willis Towers Watson Median (MPF Conservative Fund)	3.31	1.59	0.99	N/A
Deviation from the performance target (Median)	0.2	0.21	0.17	N/A
Performance Target Willis Towers Watson Benchmark (MPF Conservative Fund)	0.61	0.33	0.18	N/A
Deviation from the performance target (Benchmark)	2.9	1.47	0.98	N/A

The fund has outperformed the Performance Target(Median) over 1, 5 and 10 years.
The fund has outperformed the Performance Target(Benchmark) over 1, 5 and 10 years.

The US initiated the rate cut cycle in September 2024, reducing rates by 100 basis points by the end of the year. The policy rate remained unchanged for the first quarter of 2025. Rate volatility is expected to remain high, as the potential impacts of tariff implementation on inflation and growth will further complicate the Federal Reserve's rate decisions for the rest of FY2025. HIBOR has followed the trajectory of US rates, exhibiting significant fluctuations at high levels throughout FY 2024.

The HIBOR-SOFR spread widened further during the year, reflecting ample liquidity in HKD. The sluggish loan demand in Hong Kong prompted banks to increase fixed income investments including certificate of deposits (CDs) and debt securities/money market instruments. This influx of investments fuelled the market with ample liquidity, pushed HKD rates lower.

The Fund took advantage of the high HIBOR rates to maintain the average WAM (Weighted Average Maturity) at relatively high level, enhancing the portfolio yield during FY2024. This strategy contributed to delivering attractive returns for the portfolio throughout the year. We have consistently sought better relative values across various instruments, including time deposits, CDs, and Treasury bills, to enhance the overall portfolio return.

Trustee's commentary - continued

6. SHKP MPF Fund

	Annualised return			
	1 year %	5 years %	10 years %	Since launch %
SHKP MPF Fund (launch date: 2 July 2002)	20.7	7.14	4.9	6.14
Performance Target Willis Towers Watson Median (Equity Content 40%-60%)	5.5	3.2	2.1	N/A
Deviation from the performance target (Median)	15.2	3.94	2.8	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 40%-60%)	8.3	4.4	3.5	N/A
Deviation from the performance target (Benchmark)	12.4	2.74	1.4	N/A

The fund has outperformed the Performance Target over 1, 5 and 10 years. The fund has underperformed the Performance Target(Benchmark) over 1, 5 and 10 years.

The Manager maintained an overweight position in equities, particularly within the U.S. market, following the conclusion of the rate-hike cycle in late 2023. The fund's outperformance was largely driven by equity holdings, with significant contributions from technology stocks related to electric vehicles and cryptocurrency. The sizable equity investment anchored in the portfolio was a primary driver of the fund's strong performance over the period.

On the bond side, the fund enjoyed outperformance from bank capital related bonds as these securities ended the period higher thanks to benign earnings from banking sector.

Overall, the fund outperformed by a significant margin.

Trustee's commentary - continued

7. Allianz Choice Balanced Fund

	Annualised return 1 year %	5 years %	10 years %	Since launch %
Allianz Choice Balanced Fund (launch date: 19 March 2010)	8.12	6.69	3.73	3.86
Performance Target Willis Towers Watson Median (Equity Content 60%-80%)	7.8	5.4	3	N/A
Deviation from the performance target (Median)	0.32	1.29	0.73	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 60%-80%)	10.9	7	4.7	N/A
Deviation from the performance target (Benchmark)	-2.78	-0.31	-0.97	N/A

The fund has outperformed the Performance Target(Median) over 1, 5 and 10 years. The fund has underperformed the Performance Target(Benchmark) over 1, 5 and 10 years.

During Q2 and Q3 2024, global equities moved markedly higher as sentiment was buoyed by the US Federal Reserve's decision to start cutting rates and China's announcement of the largest stimulus measures since the pandemic. However, performance at a regional level was bifurcated. US shares continued to power ahead for much of the period, with many emerging markets also delivering robust gains, but Japanese stocks declined. Global bonds also delivered positive returns as most major central banks started their easing cycle. During Q4 2024 and Q1 2025, global equities exhibited mixed results, against a volatile economic and geopolitical backdrop. US stocks soared in the final quarter of 2024 after the President Donald Trump's decisive win in the November elections boosted hopes of tax cuts and looser regulation, but slumped after Trump entered the White House, losing their earlier gains as they posted their worst quarter since 2022: the new administration's erratic trade policies and federal layoffs sparked fears of weak consumer spending and slower economic growth. The rotation out of big-tech names also undermined US shares, with investors seeking markets that offered better value, such as Europe. Elsewhere, Chinese stocks benefitted from DeepSeek's AI success and hopes of further stimulus from Beijing. However, growing fears of a trade war continued to pressure global markets, with shares falling sharply at the end of March as the US president's self-dubbed "Liberation Day" of sweeping tariffs on 2 April drew closer. Global bonds sold off over the six months to 31 March 2025. Japanese bonds were among the weakest performers as the Bank of Japan pressed ahead with its drive to normalise monetary policy. European bond yields also rose sharply, particularly in March after Germany relaxed its debt brake in order to significantly step up its defence and infrastructure spending. Bond yields also rose in the US as Donald Trump's policies were expected to push up inflation, although these losses were tempered by signs of slowing US economic activity in the first quarter of 2025.

The fund underperformed its benchmark during the period. Stock selection in HK/China market has been the key performance detractor, mainly driven by names in Technology and Financials sectors. The overweight positioning in onshore China market has added some value. US equity exposure also detracted from relative performance, driven by stock selection in various sectors, including Technology, Industrials, Energy and Consumer Discretionary. On the positive side, fixed income investments have contributed positively during the period. Investments in US bonds and underweight position in JPY government bonds have been the key contributors.

Trustee's commentary - continued

8. Invesco Global Stable Fund

	Annualised return 1 year %	 5 years %	 10 years %	 Since launch %
Invesco Global Stable Fund (launch date: 4 March 2015)	5.27	2.09	1.76	1.86
Performance Target Willis Towers Watson Median (Equity Content 20%-40%)	3.7	1.2	1.1	N/A
Deviation from the performance target (Median)	1.57	0.89	0.66	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 20%-40%)	5.7	1.9	2.3	N/A
Deviation from the performance target (Benchmark)	-0.43	0.19	-0.54	N/A

The fund has outperformed the Performance Target(Median) over 1 and 5 years. The fund has outderperformed the Performance Target(Benchmark) over 5 years, yet underperformed over 1 year.

Global equity markets posted positive return over the 12 month review period, albeit with highly diverging returns between HK & China and other regions. In sharp contrast to previous reporting periods, Hong Kong and China equities ended the period as by far the best performing region, lifted by optimism on supportive government stimulus and re-rating from Deepseek AI. Developed market equities posted mixed results. North America equities led despite weakness in 1st quarter 2025. European equities were relatively weak for most of 2024 but saw a rally in 1st quarter 2025.

US equity markets posted mild gain during the period, albeit with more balanced return between growth and value styles. US equities were generally stronger for most of 2024 but saw rotation in early 2025 as investors were more cautious towards new policies to be introduced by the new administration.

European equities were stronger since start of 2025, with value style significantly outpacing growth, and rally lifted by expectation of mild easing policy from ECB.

Japanese equities posted mild correction during the review period, with BoJ rate normalization leading to stronger currency and headwinds for companies with overseas revenue exposure.

HK & China equities reversed previous weakness, with spurts of liquidity driven rally during 3rd quarter 2024 and 1st quarter 2025 amidst supportive stimulus geared towards property and consumer sectors, and re-rating from Deepseek debut.

Posted marginal loss with mixed returns across markets. Korea ended the review period as the worst performing market with double digit loss, with concern over its political instability. India posted mild gain whilst ASEAN as whole edged higher led by gain from Singapore market.

Global bond posted mild gain, albeit with heightened volatility due to change in interest rate expectation.

Trustee's commentary - continued

9. Schroder MPF Core Accumulation Fund

	Annualised return 1 year %	5 years %	10 years %	Since launch
Schroder MPF Core Accumulation Fund (launch date: 1 April 2017)	3.94	8.39	N/A	5.6
Performance Target Willis Towers Watson Benchmark (MPF DIS Reference Portfolio)	4.2	8.2	N/A	5.7
Deviation from the performance target (Median)	-0.26	0.19	N/A	-0.1
Performance Target Willis Towers Watson Benchmark (MPF DIS Reference Portfolio)	4.4	7.7	N/A	5.6
Deviation from the performance target (Benchmark)	-0.46	0.69	N/A	0

The fund has outperformed the Performance Target (Median) over 5 years, yet underperformed over 1 year and since launch. The fund has outperformed the Performance Target (Benchmark) over 5 years, yet underperformed over 1 year.

The underlying fund underperformed the benchmark slightly over the past one year.

The main contributor came from equity allocations, as we overweighted equities to capture market growth over the past 12 months.

We continue to dynamically allocate equity via style rotation. In 2024, we have gradually rotated towards Growth strategy, based on our view of a positive backdrop of a resilient US economy, robust corporate earnings and rate cut expectations. Meanwhile, Core strategy has been a key component to the fund’s performance stability, and Value strategy was underweight given our preference in Growth. While fund performance was dragged by investor fears over trade tariffs in 2025 Q1, the strategy rotation contributed to the positive performance over the period.

The disruption caused by the Trump administration still casts a shadow over the narrative of US exceptionalism, leading us to maintain a geographically diverse exposure. We will continue to monitor tariff developments and seize market opportunities through strategic rotation.

Trustee's commentary - continued

10. Schroder MPF Age 65 Plus Fund

	Annualised return 1 year %	5 years %	10 years %	Since launch %
Schroder MPF Age 65 Plus Fund (launch date: 1 April 2017)	2.6	1.27	N/A	1.88
Performance Target Willis Towers Watson Median (MPF DIS Reference Portfolio)	2.6	1.3	N/A	2
Deviation from the performance target (Median)	0	-0.03	N/A	-0.12
Performance Target Willis Towers Watson Benchmark (MPF DIS Reference Portfolio)	2.7	0.9	N/A	1.8
Deviation from the performance target (Benchmark)	-0.1	0.37	N/A	0.08

The fund has underperformed the Performance Target(Median) over 5 years and since launch. The fund has outperformed the Performance Target(Benchmark) over 5 years and since launch, yet underperformed over 1 year.

The underlying fund slightly underperformed the benchmark over the past one year.

The overweight in equities contributed against strong equity performance notably in 2024.

We continue to dynamically manage equity exposure through style rotation. In 2024, we have gradually rotated towards Growth strategy, based on our view of a positive backdrop of a resilient US economy, robust corporate earnings and rate cut expectations. Meanwhile, Core strategy has been a key component to the fund’s performance stability, and Value strategy was underweight given our preference in Growth. While the fund performance was impacted by investor fears over trade tariffs in 2025 Q1, the strategy rotation contributed to the positive performance over the period.

Looking forward, considering the disruption caused by the Trump administration still casts a shadow over the narrative of US exceptionalism, we maintain a geographically diverse exposure. We continue to monitor the market environment and capture market opportunities via strategy rotation.

Trustee's assessment framework for deriving its commentary and the Trustee's action, if any, to address its concerns raised in its commentary above

Mechanisms for monitoring Investment Managers and fund performance are in place.

There is a Trustee Investment Committee (TIC) with representatives of trustee and sponsor. TIC meetings are held regularly to review performance (for last quarter, past 1 year, past 3 years and past 5 years) and any other issues of investment funds (e.g. FER, fund range and viability of funds). TIC monitors fund performance against both the market median (i.e. Willis Towers Watson Median) and benchmark (i.e. Willis Towers Watson Benchmark). If the rates of return of a fund were both below the market median and the benchmark by 10% or more for 3 out of 4 periods. The fund(s) will be classified as under "watch list". Follow-up actions with investment managers are taken for funds under watch list (if any) with poor performance or other issues.

Results of the TIC meetings and follow-up actions (if any) are reported to the Board of Directors of the Trustee regularly.

The total net asset value of all constituent funds amounted to HK$7,742,913,079 at the end of the financial year (2024: HK$7,009,333,564).

Except for Invesco MPF Conservative Fund which is a direct investment fund, each other constituent fund of the Scheme invests in an approved pooled investment fund which is approved by the Mandatory Provident Fund Schemes Authority. The cash rebate and expense cap from the investment manager of the underlying funds of Allianz Choice Stable Growth Fund, Fidelity Balanced Fund, Fidelity Stable Growth Fund, Allianz Choice Balanced Fund, Invesco Global Stable Fund, Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund is totalling HK$10,275,063 for this financial year (2024: HK$8,552,624).

The analysis on movements in net asset value (including investment returns) and the investment performance of each constituent fund are shown on pages 75 to 76 and 86 to 95 respectively. Overall, those constituent funds whose investment policies are to invest to a greater extent in equities experienced more volatility in price movements than those constituent funds having a relatively greater exposure to fixed income instruments and cash.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

ANALYSIS ON MOVEMENTS IN NET ASSET VALUE (INCLUDING INVESTMENT RETURNS)
FOR THE YEAR ENDED 31 MARCH

	Allianz Choice Stable Growth Fund			Fidelity Balanced Fund		
	2025 HK$	2024 HK$	2023 HK$	2025 HK$	2024 HK$	2023 HK$
Opening net asset value	408,257,984	399,074,699	428,514,279	1,343,413,224	1,331,185,572	1,417,427,305
Subscription of units	68,276,214	61,080,589	65,162,200	210,498,645	210,233,085	226,329,351
Redemption of units	(72,523,312)	(62,178,884)	(67,646,904)	(250,552,381)	(225,044,773)	(205,451,576)
Net loss excluding capital appreciation or depreciation	(1,687,357)	(1,584,936)	(1,591,827)	(697,702)	(1,562,839)	(1,592,544)
Net appreciation/ (depreciation) of investments - realised and unrealised	27,211,408	11,866,516	(25,363,049)	107,363,737	28,602,179	(105,526,964)
Change of net asset value during the year	21,276,953	9,183,285	(29,439,580)	66,612,299	12,227,652	(86,241,733)
Closing net asset value	429,534,937	408,257,984	399,074,699	1,410,025,523	1,343,413,224	1,331,185,572

	Fidelity Stable Growth Fund			Manulife Career Average Guaranteed Fund - SHKP		
	2025 HK$	2024 HK$	2023 HK$	2025 HK$	2024 HK$	2023 HK$
Opening net asset value	691,699,781	683,300,988	749,115,466	470,065,558	463,408,424	480,240,646
Subscription of units	96,145,735	97,822,207	105,564,052	127,746,808	119,691,650	121,392,452
Redemption of units	(112,317,990)	(100,798,293)	(111,493,391)	(105,960,591)	(111,962,579)	(120,693,491)
Net loss excluding capital appreciation or depreciation	(405,996)	(834,179)	(862,951)	(1,701,224)	(1,601,818)	(1,629,808)
Net appreciation/ (depreciation) of investments - realised and unrealised	39,913,055	12,209,058	(59,022,188)	21,893,620	529,881	(15,901,375)
Change of net asset value during the year	23,334,804	8,398,793	(65,814,478)	41,978,613	6,657,134	(16,832,222)
Closing net asset value	715,034,585	691,699,781	683,300,988	512,044,171	470,065,558	463,408,424

	Invesco MPF Conservative Fund			SHKP MPF Fund		
	2025 HK$	2024 HK$	2023 HK$	2025 HK$	2024 HK$	2023 HK$
Opening net asset value	654,944,047	628,907,542	601,104,644	1,360,846,468	1,231,041,527	1,410,330,735
Subscription of units	280,747,503	219,271,753	261,662,625	266,319,290	261,972,183	280,361,213
Redemption of units	(214,210,806)	(216,430,336)	(242,320,048)	(319,776,304)	(229,451,245)	(243,131,982)
Net gain/ (loss) excluding capital appreciation or depreciation	13,914,587	16,878,158	6,667,729	(4,819,907)	(4,348,064)	(4,156,379)
Net appreciation/ (depreciation) of investments - realised and unrealised	9,817,298	6,316,930	1,792,592	276,564,397	101,632,067	(212,362,060)
Change of net asset value during the year	90,268,582	26,036,505	27,802,898	218,287,476	129,804,941	(179,289,208)
Closing net asset value	745,212,629	654,944,047	628,907,542	1,579,133,944	1,360,846,468	1,231,041,527

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

ANALYSIS ON MOVEMENTS IN NET ASSET VALUE (INCLUDING INVESTMENT RETURNS) FOR THE YEAR ENDED 31 MARCH - continued

	Allianz Choice Balanced Fund			Invesco Global Stable Fund		
	2025	2024	2023	2025	2024	2023
	HK$	HK$	HK$	HK$	HK$	HK$
Opening net asset value	678,945,238	657,415,071	671,602,810	559,222,100	571,208,161	625,853,674
Subscription of units	124,545,775	118,449,027	123,313,716	78,545,546	77,950,029	83,651,654
Redemption of units	(123,869,970)	(120,027,096)	(100,511,001)	(86,978,535)	(97,127,325)	(108,106,246)
Net gain/ (loss) excluding capital appreciation or depreciation	(2,792,152)	(2,584,480)	(2,500,915)	816,670	760,856	791,317
Net appreciation/ (depreciation) of investments - realised and unrealised	58,071,453	25,692,716	(34,489,539)	28,288,458	6,430,379	(30,982,238)
Change of net asset value during the year	55,955,106	21,530,167	(14,187,739)	20,672,139	(11,986,061)	(54,645,513)
Closing net asset value	734,900,344	678,945,238	657,415,071	579,894,239	559,222,100	571,208,161

	Schroder MPF Core Accumulation Fund			Schroder MPF Age 65 Plus Fund		
	2025	2024	2023	2025	2024	2023
	HK$	HK$	HK$	HK$	HK$	HK$
Opening net asset value	572,893,675	399,133,326	331,989,187	269,045,489	219,910,556	203,424,117
Subscription of units	337,786,575	261,932,940	210,931,888	196,257,632	153,928,579	126,399,957
Redemption of units	(223,628,939)	(149,129,213)	(124,545,259)	(145,368,941)	(116,558,256)	(96,043,581)
Net loss excluding capital appreciation or depreciation	(3,655,407)	(2,666,506)	(2,042,422)	(1,746,207)	(1,433,916)	(1,251,935)
Net appreciation/ (depreciation) of investments - realised and unrealised	26,538,031	63,623,128	(17,200,068)	9,010,799	13,198,526	(12,618,002)
Change of net asset value during the year	137,040,260	173,760,349	67,144,139	58,153,283	49,134,933	16,486,439
Closing-net-asset-value	709,933,935	572,893,675	399,133,326	327,198,772	269,045,489	219,910,556

	Total		
	2025	2024	2023
	HK$	HK$	HK$
Opening net asset value	7,009,333,564	6,584,585,866	6,919,602,863
Subscription of units	1,786,869,723	1,582,332,042	1,604,769,108
Redemption of units	(1,655,187,769)	(1,428,708,000)	(1,419,943,479)
Net gain/ (loss) excluding capital Appreciation or depreciation	(2,774,695)	1,022,276	(8,169,735)
Net appreciation/ (depreciation) of investments - realised and unrealised	604,672,256	270,101,380	(511,672,891)
Change of net asset value during the year	733,579,515	424,747,698	(335,016,997)
Closing net asset value	7,742,913,079	7,009,333,564	6,584,585,866

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

ANALYSIS ON MOVEMENTS IN PORTFOLIO HOLDINGS
FOR THE YEAR ENDED 31 MARCH

		Holding as at 31 March 2024 Units	Additions Units	Disposals Units	Holding as at 31 March 2025 Units
1)	Allianz Choice Stable Growth Fund				
	Unlisted				
	Hong Kong				
	Approved pooled investment fund				
	Allianz Global Investors Choice Fund - Allianz Choice Stable Growth Fund (Ord. A)	14,092,670.781	2,619,437.2786	2,799,854.5192	13,912,253.541
2)	Fidelity Balanced Fund				
	Unlisted				
	Hong Kong				
	Approved pooled investment fund				
	Fidelity Global Investment Fund - Balanced Fund	5,495,113.757	929,084.6430	1,074,776.5460	5,349,421.854
3)	Fidelity Stable Growth Fund				
	Unlisted				
	Hong Kong				
	Approved pooled investment fund				
	Fidelity Global Investment Fund - Stable Growth Fund	3,148,234.444	475,408.717	541,977.401	3,081,665.760
4)	Manulife Career Average Guaranteed Fund - SHKP				
	Unlisted				
	Hong Kong				
	Approved pooled investment fund				
	Manulife Career Average Guaranteed Fund	32,383,370.031	9,849,226.193	8,351,247.845	33,881,348.379

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

ANALYSIS ON MOVEMENTS IN PORTFOLIO HOLDINGS
FOR THE YEAR ENDED 31 MARCH - continued

5) Invesco MPF Conservative Fund

	Percentage holding of net assets 31 March 2025 %	31 March 2024 %
Denominated in Hong Kong dollars		
Certificates of deposit	36.08	19.72
Treasury bills	18.78	11.43
Listed debt securities	1.00	-
Unlisted debt securities	5.63	13.69
	61.49	44.84

	Holding as at 31 March 2024 Units	Additions Units	Disposals Units	Holding as at 31 March 2025 Units
6) SHKP MPF Fund				
Unlisted				
Hong Kong				
Approved pooled investment fund				
SHKP Nexus Fund - SHKP MPF Fund	38,325,593.006	7,413,696.345	9,164,026.696	36,575,262.655
7) Allianz Choice Balanced Fund				
Unlisted				
Hong Kong				
Approved pooled investment fund				
Allianz Global Investors Choice Fund - Allianz Choice Balanced Fund (Ord. A)	16,275,731.619	3,107,510.588	3,143,755.333	16,239,486.874
8) Invesco Global Stable Fund				
Unlisted				
Hong Kong				
Approved pooled investment fund				
Invesco Pooled Investment Fund - Global Stable Fund - Class A	49,297,672.385	6,778,090.023	7,491,885.956	48,583,876.452

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

ANALYSIS ON MOVEMENTS IN PORTFOLIO HOLDINGS
FOR THE YEAR ENDED 31 MARCH - continued

		Holding as at 31 March 2024 Units	Additions Units	Disposals Units	Holding as at 31 March 2025 Units
9)	Schroder MPF Core Accumulation Fund				
	Unlisted				
	Hong Kong				
	Approved pooled investment fund				
	Schroder MPF Core 60/40 Fund	36,188,051.369	21,183,273.163	14,451,707.701	42,919,616.831
10)	Schroder MPF Age 65 Plus Fund				
	Unlisted				
	Hong Kong				
	Approved pooled investment fund				
	Schroder MPF Core 20/80 Fund	22,193,933.612	16,566,525.2590	12,577,748.2170	26,182,710.654

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

INVESTMENT PORTFOLIO AS AT 31 March 2025

		No. of shares held	Market value HK$	% of Net assets
1)	Allianz Choice Stable Growth Fund			
	Approved Pooled Investment Fund (Unlisted)			
	Allianz Global Investors Choice Fund - Allianz Choice Stable Growth Fund (Ord. A)	13,912,254	426,827,939	99.37
	Total investments, at cost[1,2]		363,305,168	
2)	Fidelity Balanced Fund			
	Approved Pooled Investment Fund (Unlisted)			
	Fidelity Global Investment Fund - Balanced Fund	5,349,422	1,403,153,352	99.52
	Total investments, at cost[1,2]		1,202,185,669	
3)	Fidelity Stable Growth Fund			
	Approved Pooled Investment Fund (Unlisted)			
	Fidelity Global Investment Fund - Stable Growth Fund	3,081,666	712,172,953	99.60
	Total investments, at cost[1,2]		622,372,033	
4)	Manulife Career Average Guaranteed Fund - SHKP			
	Approved Pooled Investment Fund (Unlisted)			
	Manulife Career Average Guaranteed Fund	33,881,348	506,654,907	98.95
	Total investments, at cost[1,2]		492,377,959	

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

INVESTMENT PORTFOLIO AS AT 31 March 2025 - continued

5) Invesco MPF Conservative Fund

	Nominal value	Market value	% of net assets
		HK$	
Certificates of deposit			
Denominated in Hong Kong dollars			
Agricultural Bank of China Ltd/Hong Kong 4.04% 10/06/2025	16,000,000	16,204,168	2.18
Agricultural Bank Of China Ltd/Tokyo 0% 05/12/2025	8,000,000	7,799,350	1.05
Bank of China Ltd/Hong Kong 0% 20/05/2025	10,000,000	9,951,110	1.34
Bank of China Ltd/Hong Kong 0% 27/05/2025	14,000,000	13,931,552	1.87
Bank of China Ltd/Macau 0% 13/05/2025	12,000,000	11,950,233	1.61
Bank of China Ltd/Sydney 0% 20/05/2025	14,000,000	13,931,554	1.87
Bank of Communications Co Ltd/Sydney 0% 18/09/2025	10,000,000	9,823,031	1.32
Bank of Communications Co Ltd/Sydney 3.84% 14/10/2025	13,000,000	13,221,330	1.78
Bank of Communications Co Ltd/Sydney 3.9% 04/09/2025	10,000,000	10,044,996	1.35
Bank of Communications Co Ltd/Sydney 3.96% 03/09/2025	12,000,000	12,058,752	1.62
China Construction Bank Corp Singapore Branch 0% 17/06/2025	12,000,000	11,917,841	1.60
China Construction Bank Corp/Seoul 0% 12/09/2025	7,000,000	6,891,151	0.93
China Construction Bank Corp/Seoul 0% 18/09/2025	10,000,000	9,824,364	1.32
China Construction Bank Corp/Seoul 0% 25/11/2025	10,000,000	9,951,109	1.34
China Construction Bank Corp/Tokyo 0% 23/01/2026	14,000,000	13,599,740	1.83
China Development Bank/Hong Kong 0% 06/05/2025	10,000,000	9,967,952	1.34
China Development Bank/Hong Kong 3.65% 03/06/2025	12,000,000	12,350,760	1.66
China Merchants Bank Co Ltd/Sydney 3.95% 20/06/2025	10,000,000	10,074,703	1.35
China Merchants Bank Co Ltd/Sydney 4% 16/07/2025	12,000,000	12,097,765	1.63
Industrial & Commercial Bank of China Ltd/Seoul 0% 04/06/2025	10,000,000	9,934,553	1.33
Industrial & Commercial Bank of China Ltd/Seoul 3.9% 26/02/2026	8,000,000	8,043,360	1.08
Industrial & Commercial Bank of China Ltd/Sydney 0% 03/04/2025	10,000,000	10,000,000	1.34
Industrial & Commercial Bank of China Ltd/Sydney 3.97% 03/10/2025	10,000,000	10,111,138	1.36
National Australia Bank Ltd 0% 09/10/2025	15,000,000	14,707,541	1.98
		268,388,053	36.08

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

INVESTMENT PORTFOLIO AS AT 31 March 2025 - continued

5) Invesco MPF Conservative Fund - continued

	Nominal value	Market value HK$	% of net assets
Treasury bills			
Denominated in Hong Kong dollars			
Hong Kong Treasury Bill 0% 07/05/2025	15,000,000	14,956,800	2.01
Hong Kong Treasury Bill 0% 14/05/2025	15,000,000	14,947,350	2.01
Hong Kong Treasury Bill 0% 16/04/2025	20,000,000	19,976,600	2.68
Hong Kong Treasury Bill 0% 23/04/2025	30,000,000	29,948,399	4.02
Hong Kong Treasury Bill 0% 30/04/2025	20,000,000	19,954,600	2.68
Hong Kong Treasury Bill 0% 02/04/2025	20,000,000	19,997,020	2.69
Hong Kong Treasury Bill 0% 09/04/2025	20,000,000	19,986,999	2.69
		139,767,768	18.78
Listed Debt securities			
Australia & New Zealand Banking Group Ltd 4.71% 30/06/2025 EMTN	7,000,000	7,403,796	1.00
		7,403,796	1.00
Unlisted debt securities			
Australia & New Zealand Banking Group Ltd 3.915% 13/02/2026 EMTN	12,000,000	12,063,549	1.62
Australia & New Zealand Banking Group Ltd 4.74% 19/05/2025 EMTN	9,000,000	9,379,136	1.26
Commonwealth Bank of Australia 2.75% 09/06/2025 EMTN	6,000,000	6,118,932	0.82
National Australia Bank Ltd 4.825% 07/06/2025 EMTN	6,000,000	6,245,031	0.84
Korea Development Bank/Hong Kong 4.02% 05/11/2025 EMTN	8,000,000	8,140,885	1.09
		41,947,533	5.63
Total investments		457,507,150	61.49
Total investments, at cost[1]		452,831,448	

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

INVESTMENT PORTFOLIO AS AT 31 March 2025 - continued

	No. of shares held	Market value HK$	% of Net assets
6) SHKP MPF Fund			
Approved Pooled Investment Fund (Unlisted)			
SHKP Nexus Fund - SHKP MPF Fund	36,575,263	1,566,372,199	99.20
Total investments, at cost[1,2]		1,278,165,166	
7) Allianz Choice Balanced Fund			
Approved Pooled Investment Fund (Unlisted)			
Allianz Global Investors Choice Fund - Allianz Choice Balanced Fund	16,239,487	730,939,304	99.48
Total investments, at cost[1,2]		609,075,176	
8) Invesco Global Stable Fund			
Approved Pooled Investment Fund (Unlisted)			
Invesco Pooled Investment Fund - Global Stable Fund - Class A	48,583,876	576,977,258	99.51
Total investments, at cost[1,2]		534,931,295	
9) Schroder MPF Core Accumulation Fund			
Approved Pooled Investment Fund (Unlisted)			
Schroder MPF Core 60/40 Fund	42,919,617	704,310,912	99.23
Total investments, at cost[1,2]		639,741,812	

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

INVESTMENT PORTFOLIO AS AT 31 March 2025 - continued

	No. of shares held	Market value HK$	% of Net assets
10) Schroder MPF Age 65 Plus Fund			
Approved Pooled Investment Fund (Unlisted)			
Schroder MPF Core 20/80 Fund	26,182,711	322,570,995	98.66
Total investments, at cost[1,2]		311,561,175	

1 Investments are accounted on a trade date basis.

2 The underlying approved pooled investment funds as listed above were established in Hong Kong and approved by the Mandatory Provident Fund Schemes Authority.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

ANALYSIS OF INVESTMENTS HELD BY THE SCHEME

		As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
		Net asset value	% of net asset value	Net asset value	% of net asset value	Net asset value	% of net asset value
1)	Allianz Choice Stable Growth Fund	429,534,937	5.55%	408,257,984	5.82%	399,074,699	6.06%
2)	Fidelity Balanced Fund	1,410,025,523	18.21%	1,343,413,224	19.17%	1,331,185,572	20.22%
3)	Fidelity Stable Growth Fund	715,034,585	9.23%	691,699,781	9.87%	683,300,988	10.38%
4)	Manulife Career Average Guaranteed Fund - SHKP	512,044,171	6.61%	470,065,558	6.71%	463,408,424	7.04%
5)	Invesco MPF Conservative Fund	745,212,629	9.62%	654,944,047	9.34%	628,907,542	9.55%
6)	SHKP MPF Fund	1,579,133,944	20.39%	1,360,846,468	19.41%	1,231,041,527	18.70%
7)	Allianz Choice Balanced Fund	734,900,344	9.49%	678,945,238	9.69%	657,415,071	9.98%
8)	Invesco Global Stable Fund	579,894,239	7.49%	559,222,100	7.98%	571,208,161	8.67%
9)	Schroder MPF Core Accumulation Fund	709,933,935	9.17%	572,893,675	8.17%	399,133,326	6.06%
10)	Schroder MPF Age 65 Plus Fund	327,198,772	4.24%	269,045,489	3.84 %	219,910,556	3.34%
	NET ASSET VALUE	7,742,913,079	100.00%	7,009,333,564	100.00%	6,584,585,866	100.00%

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

PERFORMANCE TABLE

1. Allianz Choice Stable Growth Fund

	2025 HK$	2024 HK$	2023 HK$
Total net asset value	429,534,937	408,257,984	399,074,699
Net asset value per unit	26.22	24.67	24.04

	Highest issue price per unit HK$	Lowest redemption price per unit HK$	Net annualised investment return % (note 2)
2025	26.94	23.94	6.28
2024	24.76	22.38	2.62
2023	25.75	21.00	(6.28)
2022	28.18	24.53	(5.87)
2021	28.42	20.93	28.24
2020	23.69	19.88	(4.62)
2019	23.29	20.74	(3.51)
2018	24.16	20.31	13.58
2017	20.46	18.94	5.34
2016	21.02	18.04	(3.45)
2015	20.58	19.40	0.81

Notes:

1 Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.

2 The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

PERFORMANCE TABLE - continued

2. Fidelity Balanced Fund

	2025 HK$	2024 HK$	2023 HK$
Total net asset value	1,410,025,523	1,343,413,224	1,331,185,572
Net asset value per unit	238.32	220.67	216.03

	Highest issue price per unit HK$	Lowest redemption price per unit HK$	Net annualised investment return % (note 2)
2025	250.77	213.20	8.00
2024	221.24	195.87	2.15
2023	235.74	185.43	(7.58)
2022	266.38	218.66	(8.28)
2021	270.06	189.60	31.98
2020	224.88	177.42	(6.50)
2019	214.11	186.34	(1.02)
2018	221.86	178.69	16.24
2017	180.57	160.48	8.85
2016	187.69	150.79	(6.45)
2015	177.23	164.10	6.10

Notes:

1 Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.

2 The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

PERFORMANCE TABLE - continued

3. Fidelity Stable Growth Fund

	2025 HK$	2024 HK$	2023 HK$
Total net asset value	715,034,585	691,699,781	683,300,988
Net asset value per unit	210.05	198.61	195.22

	Highest issue price per unit HK$	Lowest redemption price per unit HK$	Net annualised investment return % (note 2)
2025	219.49	192.48	5.76
2024	198.75	178.48	1.74
2023	213.24	171.83	(7.95)
2022	237.85	202.59	(7.48)
2021	240.99	183.90	23.01
2020	206.43	174.05	(3.25)
2019	196.34	177.73	(0.58)
2018	202.35	170.40	13.64
2017	171.27	158.35	5.64
2016	176.34	150.52	(3.97)
2015	169.53	160.87	3.84

Notes:

1 Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.

2 The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

PERFORMANCE TABLE - continued

4. Manulife Career Average Guaranteed Fund - SHKP

	2025 HK$	2024 HK$	2023 HK$
Total net asset value	512,044,171	470,065,558	463,408,424
Net asset value per unit	12.855	12.335	12.361

	Highest issue price per unit HK$	Lowest redemption price per unit HK$	Net annualised investment return % (note 2)
2025	12.855	12.264	4.22
2024	12.481	11.786	(0.21)
2023	12.788	11.276	(3.65)
2022	13.854	12.718	(5.56)
2021	13.854	13.126	2.62
2020	13.749	12.780	3.04
2019	12.876	12.149	4.07
2018	12.651	12.298	0.06
2017	12.647	12.093	0.37
2016	12.291	11.980	0.99
2015	12.205	11.707	3.85

Notes:

1 Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.

2 The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

PERFORMANCE TABLE - continued

5. Invesco MPF Conservative Fund

	2025 HK$	2024 HK$	2023 HK$
Total net asset value	745,212,629	654,944,047	628,907,542
Net asset value per unit	12.426	12.006	11.575

	Highest issue price per unit HK$	Lowest redemption price per unit HK$	Net annualised investment return % (note 2)
2025	12.426	12.010	3.50
2024	12.006	11.578	3.72
2023	11.575	11.420	1.36
2022	11.420	11.419	0.01
2021	11.419	11.366	0.47
2020	11.366	11.198	1.51
2019	11.197	11.088	0.99
2018	11.087	11.077	0.09
2017	11.077	11.077	-
2016	11.077	11.076	0.01
2015	11.076	11.076	-

Notes:

1 Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.

2 The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

PERFORMANCE TABLE - continued

6. SHKP MPF Fund

	2025 HK$	2024 HK$	2023 HK$
Total net asset value	1,579,133,944	1,360,846,468	1,231,041,527
Net asset value per unit	38.794	32.141	29.817

	Highest issue price per unit HK$	Lowest redemption price per unit HK$	Net annualised investment return % (note 2)
2025	39.497	30.406	20.70
2024	32.564	27.751	7.79
2023	36.324	25.404	(15.36)
2022	46.846	30.471	(21.10)
2021	48.940	26.846	62.44
2020	32.393	24.913	(6.39)
2019	30.714	25.527	0.33
2018	30.987	24.775	17.88
2017	24.957	21.317	12.85
2016	26.482	19.909	8.51
2015	24.083	21.299	9.31

Notes:

1 Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.

2 The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

PERFORMANCE TABLE - continued

7. Allianz Choice Balanced Fund

	2025 HK$	2024 HK$	2023 HK$
Total net asset value	734,900,344	678,945,238	657,415,071
Net asset value per unit	40.36	37.33	36.04

	Highest issue price per unit HK$	Lowest redemption price per unit HK$	Net annualised investment return % (note 2)
2025	41.86	36.08	8.12
2024	37.47	33.36	3.58
2023	38.45	30.60	(5.61)
2022	42.33	35.84	(5.98)
2021	42.67	28.60	39.12
2020	34.07	26.73	(7.95)
2019	33.84	28.90	(4.63)
2018	35.43	28.35	16.83
2017	28.66	25.42	8.63
2016	29.92	23.91	(6.36)
2015	28.73	26.50	2.15

Notes:

1 Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.

2 The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

PERFORMANCE TABLE - continued

8. Invesco Global Stable Fund

	2025 HK$	2024 HK$	2023 HK$
Total net asset value	579,894,239	559,222,100	571,208,161
Net asset value per unit	12.0440	11.4408	11.2830

	Highest issue price per unit HK$	Lowest redemption price per unit HK$	Net annualised investment return % (note 2)
2025	12.2595	11.1447	5.27
2024	11.4992	10.5179	1.40
2023	11.8586	9.9814	(4.68)
2022	12.9988	11.5264	(6.48)
2021	13.1507	10.7772	16.35
2020	11.7059	10.3163	(2.47)
2019	11.3658	10.5056	(1.08)
2018	11.5635	10.2490	10.04
2017	10.4164	9.8380	3.16
2016	10.4155	9.4225	(1.84)
2015 (note 3)	10.1400	9.9804	1.20

Notes:

1 Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.

2 The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

3 The actual net investment return is calculated as the percentage change in unit price between the establishment of Invesco Global Stable Fund on 4 March 2015 and the period end date 31 March 2015.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

PERFORMANCE TABLE - continued

9. Schroder MPF Core Accumulation Fund

	2025 HK$	2024 HK$	2023 HK$
Total net asset value	709,933,935	572,893,675	399,133,326
Net asset value per unit	15.4686	14.8814	13.1408

	Highest issue price per unit HK$	Lowest redemption price per unit HK$	Net annualised investment return % (note 2)
2025	16.1532	14.3597	3.95
2024	14.8821	12.7401	13.25
2023	14.0963	11.7276	(6.34)
2022	14.7001	13.4789	3.62
2021	13.7122	10.1370	30.94
2020	11.8883	9.5348	(5.41)
2019	11.0390	9.9469	1.38
2018 (note 3)	11.2377	9.9925	7.83
2017	-	-	-
2016	-	-	-
2015	-	-	-

Notes:

1 Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.

2 The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

3 The actual net investment return is calculated as the percentage change in unit price between the establishment of Schroder MPF Core Accumulation Fund on 1 April 2017 and the period end date 31 March 2018.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

PERFORMANCE TABLE - continued

10. Schroder MPF Age 65 Plus Fund

	2025 HK$	2024 HK$	2023 HK$
Total net asset value	327,198,772	269,045,489	219,910,556
Net asset value per unit	11.6026	11.3083	10.7961

	Highest issue price per unit HK$	Lowest redemption price per unit HK$	Net annualised investment return % (note 2)
2025	11.8002	11.0518	2.60
2024	11.3089	10.3728	4.74
2023	11.6050	10.1523	(6.90)
2022	12.2618	11.4944	(1.88)
2021	12.0605	10.8426	8.52
2020	11.2650	10.4493	3.95
2019	10.4777	9.9906	2.37
2018 (note 3)	10.3241	9.9720	2.35
2017	-	-	-
2016	-	-	-
2015	-	-	-

Notes:

1 Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.

2 The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

3 The actual net investment return is calculated as the percentage change in unit price between the establishment of Schroder MPF Age 65 Plus Fund on 1 April 2017 and the period end date 31 March 2018.

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2025

FUND EXPENSE RATIOS AND TRANSACTION COSTS

The annual fund expense ratios and transaction costs of the constituent funds are shown as follows:

		Fund expense ratio	Transaction cost HK$
1.	Allianz Choice Stable Growth Fund	0.99070%	-
2.	Fidelity Balanced Fund	0.87924%	-
3.	Fidelity Stable Growth Fund	0.88551%	-
4.	Manulife Career Average Guaranteed Fund - SHKP	2.26698%	-
5.	Invesco MPF Conservative Fund	0.66355%	-
6.	SHKP MPF Fund	0.66262%	-
7.	Allianz Choice Balanced Fund	0.98849%	-
8.	Invesco Global Stable Fund	0.83055%	-
9.	Schroder MPF Core Accumulation Fund	0.58185%	-
10.	Schroder MPF Age 65 Plus Fund	0.60948%	-

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道979號
太古坊一座27樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

INDEPENDENT AUDITOR'S ASSURANCE REPORT
TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME

We have audited the financial statements of SHKP MPF Employer Sponsored Scheme (the "Scheme") for the year ended 31 March 2025 in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 860.1(Revised), *The Audit of Retirement Schemes* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and have issued an unqualified auditor's report thereon dated 8 October 2025.

Pursuant to section 102 of the Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation"), we are required to report whether the Scheme complied with certain requirements of the Mandatory Provident Fund Schemes Ordinance ("MPFSO") and the General Regulation.

Trustee's Responsibility

The General Regulation requires the trustee to ensure that:

(a) proper accounting and other records are kept in respect of the constituent funds of the Scheme, the Scheme assets and all financial transactions entered into in relation to the Scheme;

(b) the requirements specified in the guidelines made by the Mandatory Provident Fund Schemes Authority under section 28 of the MPFSO with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 and Part 10 of, and Schedule 1 to, the General Regulation are complied with; and

(c) the requirements under sections 34DB(1)(a), (b), (c) and (d), 34DC(1), 34DD(1) and (4) of the Ordinance are complied with; and

(d) the Scheme assets are not subject to any encumbrance, otherwise than as permitted by the General Regulation.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT AUDITOR'S ASSURANCE REPORT - continued
TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME

Auditor's Responsibility

Our responsibility is to report on the Scheme's compliance with the above requirements based on the results of the procedures performed by us.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and with reference to Practice Note 860.1 (Revised), *The Audit of Retirement Schemes* issued by the HKICPA. We have planned and performed our work to obtain reasonable assurance on whether the Scheme has complied with the above requirements.

We have planned and performed such procedures as we considered necessary with reference to the procedures recommended on PN 860.1 (Revised), which included reviewing, on a test basis, evidence obtained from the Trustee regarding the Scheme's compliance with the above requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Based on the foregoing:

1. in our opinion:

    (a) proper accounting and other records have been kept during the year ended 31 March 2025 in respect of the constituent funds of the Scheme, the Scheme assets and all financial transactions entered into in relation to the Scheme; and

    (b) the requirements specified in the guidelines made by the Mandatory Provident Fund Schemes Authority under section 28 of the MPFSO with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 and Part 10 of, and Schedule 1 to, the General Regulation have been complied with, in all material respects, as at 30 April 2024, 31 October 2024 and 31 March 2025; and

    (c) the requirements specified in the MPFSO under sections 34DB(1)(a), (b), (c) and (d), 34DC(1) and 34DD(1) and (4)(a) with respect to the investment of accrued benefits and control of payment for services relating to Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund have been complied with, in all material respects, as at 30 June 2024, 30 September 2024 and 31 March 2025; and

    (d) the requirements specified in section 34DD(4)(b) of the MPFSO with respect to the controls of out-of-pocket expenses of the Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund have been complied with, in all material respects, as at 31 March 2025.

2. as at 31 March 2025, the Scheme assets were not subject to any encumbrance, otherwise than as permitted by the General Regulation.

INDEPENDENT AUDITOR'S ASSURANCE REPORT - continued
TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME

Other Matter

The requirements specified in the MPFSO under sections 34DI(1) and (2) and 34DK(2) with respect to the transfer of accrued benefits to an account and specified notice, and 34DJ(2), (3), (4) and (5) with respect to locating scheme members relating to Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund are not applicable to the trustee during the year ended 31 March 2025 as the trustee has completed the relevant transitional provisions. Accordingly, there is no reporting on these sections.

Intended Users and Purpose

This report is intended solely for submission by the Trustee to the Mandatory Provident Fund Schemes Authority pursuant to section 102 of the General Regulation, and is not intended to be, and should not be, used by anyone for any other purpose.

Certified Public Accountants
Hong Kong
8 October 2025

SHKP MPF EMPLOYER SPONSORED SCHEME

SCHEME GOVERNANCE REPORT

FOR THE YEAR ENDED

31 March 2025

Contents Pages

Section 1: Trustee's Governance Framework

Overview of Trustee's Governance Framework

Standard Chartered Trustee (Hong Kong) Limited ("SCT" or the "Company"), as the trustee of SHKP MPF Employer Sponsored Scheme (the "Scheme"), has established the governance framework to ensure effective and prudent management and operations of SCT's trustee businesses. The framework is endorsed by the Board of Directors (the "Board"), such that decisions and initiatives undertaken are consistent with SCT's scope of services and fiduciary responsibilities towards the interest of Scheme members.

SCT signed the Mandatory Provident Fund Schemes Authority (the "MPFA")'s Governance Charter for MPF Trustees in 2018 and committed to uphold and abide by the following core values at all times:-

- Value-for-money MPF schemes and services;
- Act in the best interest of members;
- Lift governance standards;
- Understand and respond to members' needs;
- Engage members through transparency and communications; and
- Serve with honesty and integrity

The Board is ultimately responsible for the performance of SCT, including its compliance with regulatory, contractual, fiduciary and corporate obligations as well as safeguard MPF members' interests.

Board Composition

The Board currently composes of representatives from the business and two independent non-executive directors. The representatives are selected with a view of the necessary skills, expertise and authority to ensure the responsibilities are appropriately discharged. The Board comprises of five directors and two independent non-executive directors. The directors' biographies collectively demonstrate a breadth of industry and sector experience and institutional knowledge that manage to understand the key activities and risks involved in the business and to provide proper oversight and effective challenge across the major activities and decisions made in respect of the Scheme. The Board is committed to maintaining sufficient size that the requirements of the business can be met and that changes to the Board's composition can be managed without undue disruption.

Role of the Board

The Board Terms of Reference sets out the role and responsibilities of the Board. The Board is responsible for the governance, strategic direction and performance of the Company and for the delivery of sustainable value within a framework of prudent and effective controls. The Board is also responsible for understanding the views and interests of all other key stakeholders and for considering those views and interests during Board discussions and decision-making. The Board has responsibility for the matters set out below key areas:

- Strategy and Management
- Financial Reporting and Controls
- Risk Management and Internal Control
- Communication
- Board Membership and other Appointments
- Delegation of Authority
- Corporate Governance Matters

Committees of the Board

The Board has established Trustee Committee and Trustee Investment Committee with the following salient responsibilities:

- Trustee Committee: Representatives from Compliance, Risk, Trustee Services, Operations and the Chief Executive Officer of SCT ("CEO") meet monthly to consider and discuss:
  - Regulatory updates
  - Incident, error or regulatory breach
  - Weaknesses in operations or controls
  - Service providers performance
  - Initiatives undertaken by Risk

- Trustee Investment Committee: Representatives comprise the sponsor of the schemes, with a view to elevating the investment performance of the investment options for the schemes under SCT's trusteeship, as well as determining follow up actions against investment managers who consistently underperformed the set standards.

- Fiduciary Risk Committee: The Committee has been set up and approved by the Board in March 2025. Representatives from Compliance, Risk, Trustee Services, Operations, CEO of SCT and Independent Non-Executive Director ("INED") of HK Trustee which is the Chair of the Committee meet at least 4 times per year to ensure effective management and monitoring of risks impacting the Company's business including compliance to all statutory and regulatory requirements.

In addition to the above, dedicated committee or team will be formed to oversee different projects as and when required.

Mechanism for reporting

1. The Board meets on a quarterly basis at least to provide strategic directions for the oversight of SCT's operations. At its meetings, the Board receives and considers submissions from the CEO and the relevant stakeholders, which include submissions by the committee(s).
2. The report to the Board specifically covers but not limited to:-
   - Service providers monitoring result
   - Funds' performance update
   - Breaches and errors reporting
   - Material regulatory or policies changes and the relevant impact analysis
   - Organization changes including business planning
   - Updates from Finance, Risk and Compliance

3. The Board will receive reports and recommendations from time to time on any matter which it considers significant to the Company.

Governance enhancement

SCT's Board members/composition was newly formed in May 2023. In light of the scale of the MPF trustee business, there are five Directors and two independent non-executive directors("INEDs") in the Board of SCT which is considered appropriate for discharging their roles properly, in particular, one of the Directors is the Chief Risk Officer, Hong Kong & Cluster CRO, HK, Taiwan and Macau.

Section 2: Assessment Areas

The overall structure and activities of the Scheme are reviewed continuously, with issues discussed in the relevant committees and quarterly Board meetings, as necessary.

(i) Value for Money Assessment

SCT is committed to pursuing effective strategy of facilitating the Scheme to provide members with value for money.

1. The expenses and fees charged to members are an important metric for assessing if the Scheme is offering value for money.

   1.1 SCT monitors the fund expense ratios ("FER") of the constituent funds under the Scheme ("CFs") against the relevant industry information on a regular basis.

   1.2 The Scheme is an employer sponsored scheme that no sponsor fee is charged to the Scheme.

2. The performance of the CFs is another core pillar for assessing the Scheme's value to members. Trustee Investment Committee monitors and measures investment performance of the Scheme's CFs against the industry median over different horizons. Notable change (surge) in the volatility of a CF will be identified.

The range of funds and options available under the Scheme is another important part of the Scheme's value to members.

   3.1 SCT will initiate and conduct discussion with the Sponsor regularly on the adequacy and suitability of investment options.

   3.2 SCT also considers initiatives to review the range and suitability of fund options, which aim to diversify the choice of the CFs under the Scheme and to enhance its overall competitiveness in the long run.

4. SCT reviews and monitors the quality and level of services provided to Scheme members. Observations and suggestions for enhancements are regular agenda items at internal meetings and/or with the relevant stakeholders. SCT works with the scheme administrator of the Scheme in this area with a view to supporting the Scheme members to manage their accounts in a secured and efficient manner.

5. SCT reviews the performance of the investment managers of the constituent funds under the Scheme regularly and also through the regular monitoring mechanism to ensure the investment managers discharge its roles and responsibilities in accordance with the applicable requirements.

6. SCT follows its group conflict of interest policies and procedures for identifying and managing any potential and actual conflict of interest issues. The Board also monitors conflict of interest so as to ensure the interests of Scheme members are considered in SCT's decision-making process and decisions are not unduly influenced by the interests of other parties. In particular, SCT has no ties to the sponsor of the Scheme which facilitates provision of independent trustee services. The fees and charges borne by the Scheme are disclosed in the scheme brochure and the investment managers of the constituent funds are independent from SCT. All staff of SCT are required to complete mandatory compliance training course to certify their compliance with the group's code of conduct policy and that directors of the Board are also required to declare annually disclosing any conflict of interest.

Table 1- Summary of Value-for-Money Assessment

	Assessment criteria	**Assessment results**	**Follow-up actions / plans**
1	Fund performance	Satisfactory	Continue to monitor and execute the regular monitoring mechanism
2	Fee level	Satisfactory	Continue to monitor and execute the regular monitoring mechanism
3	Services to scheme members	Satisfactory in respect of services provided by SCT	Continue to monitor and execute the regular monitoring mechanism
4	Range of funds	Satisfactory	Continue to monitor and execute the regular monitoring mechanism

Summary of Key Actions Taken

With a view to providing value to the Scheme members, the below key actions were taken by SCT during the financial year from 1 April 2024 to 31 March 2025 and SCT is satisfied with the actions arising from the value for money assessment of the Scheme.

Investment Performance Monitoring

1. SCT reviewed the investment performance of the constituent funds under the Scheme on a regular basis and followed up with the investment manager of the constituent fund with unsatisfactory fund performance in June 2025. SCT continues to engage with the investment manager to understand their plans to improve their performance, and the timeline for these plans to be executed. The fund range is considered appropriate and thus no new fund launch plan on the pipeline.

2. Please refer to section headed "Trustee Commentary" in the Scheme's Annual Consolidated Report for the year ended 31 March 2025 for the analysis of investment returns of individual CFs under the Scheme against the performance target.

3. SCT would continue monitor the investment performance of the CFs under the Scheme and take necessary actions if investment underperformance situations are noted. This included following up with the relevant investment manager to provide the justification as well as their proposed actions to improve the underperformance situation.

Table 2 – Assessment on Fund Performance

Name of constituent fund (CF)	Name of benchmark / performance target	Annualized net return (% per annum)											
		1 year			5 years			10 years			Since launch		
		CF	Benchmark/ performance target		CF	Benchmark/ performance target		CF	Benchmark/ performance target		CF	Benchmark/ performance target	
			Benchmark	Median		Benchmark	Median		Benchmark	Median		Benchmark	Median
SHKP MPF Fund	WTW	20.7	8.3	5.5	7.14	4.4	3.2	4.9	3.5	2.1	6.14	N/A	N/A
Manulife Career Average Guaranteed Fund - SHKP	WTW	4.22	N/A	4.2	-0.58	N/A	0	0.55	N/A	0.3	0.90	N/A	N/A
Invesco Global Stable Fund	WTW	5.27	5.7	3.7	2.09	1.9	1.2	1.76	2.3	1.1	1.86	N/A	N/A
Allianz Choice Balanced Fund	WTW	8.12	10.9	7.8	6.69	7	5.4	3.73	4.7	3	3.86	N/A	N/A
Allianz Choice Stable Growth Fund	WTW	6.24	8.3	5.5	4.29	4.4	3.2	2.75	3.5	2.1	4.01	N/A	N/A
Fidelity Balanced Fund	WTW	8	10.9	7.8	4.3	7	5.4	3.06	4.7	3	4.72	N/A	N/A
Fidelity Stable Growth Fund	WTW	5.75	8.3	5.5	2.42	4.4	3.2	2.26	3.5	2.1	4.17	N/A	N/A
Invesco MPF Conservative Fund	WTW	3.51	0.61	3.31	1.8	0.33	1.59	1.16	0.18	0.99	0.9	N/A	N/A
Schroder MPF Core Accumulation Fund	WTW	3.94	4.4	4.2	8.39	7.7	8.2	N/A	N/A	N/A	5.6	5.6	5.7
Schroder MPF Age 65 Plus Fund	WTW	2.6	2.7	2.6	1.27	0.9	1.3	N/A	N/A	N/A	1.88	1.8	2

Note: WTW stands for Towers Watson Investment Services Hong Kong Limited

Table 3 - Follow-up Actions / Plans to Improve Value for Scheme Members

Name of constituent fund	Investment Manager at APIF	Follow-up actions / plans
Manulife Career Average Guaranteed Fund - SHKP	Manulife Asset Management (Hong Kong) Limited at underlying approved pooled investment fund ('APIF') level.	Investment management fee of the APIF was reduced by 0.1% p.a. with effect from 1 July 2025.
Allianz Choice Stable Growth Fund	Allianz Global Investors Asia Pacific Limited at APIF level	Investment management fee of the APIF was reduced by 0.05% p.a. with effect 1 April 2025.
Allianz Choice Balanced Fund	Allianz Global Investors Asia Pacific Limited at APIF level	Investment management fee of the APIF was reduced by 0.05% p.a. with effect 1 April 2025.
Fidelity Balanced Fund	FIL Investment Management (Hong Kong) Limited at APIF level	Investment management fee of the APIF was reduced by 0.05% p.a. with effect from 1 January 2024. The relevant investment manager would broaden investment opportunity set to enhance asset allocation value add.
Fidelity Stable Growth Fund	FIL Investment Management (Hong Kong) Limited at APIF level	Investment management of the APIF was reduced by 0.05% p.a. with effect from 1 January 2024. The relevant investment manager would broaden investment opportunity set to enhance asset allocation value add.

Fees and Charges Monitoring

SCT performed a review of the CF's FERs against the peers and considered the fees level of the CFs are reasonable and fair, in particular, no sponsor fees were charged to the CFs and the FER of some CFs are one of the lowest in the respective categories. SCT would continue to monitor fees and charges applied by the respective CFs.

The regulator conducted an assessment on the investment performance and fee level of all MPF funds as of end December 2023, in which SHKP MPF Employer Sponsored Scheme was rated in the first quadrant (i.e. Better Return & Lower Fee).

Table 4 - Assessment on Fee Level

Name of constituent fund	Launch date	Net asset value (HK$)	Fund Expense Ratio (FER) (expressed as a percentage per annum)	Fund category	Industry average FER
SHKP MPF Fund	02/07/2002	1,579,133,944	0.66262%*	Mixed Assets Fund - 41% to 60% Equity	1.36587
Manulife Career Average Guaranteed Fund - SHKP	01/12/2000	512,044,171	2.26698%	Guaranteed Fund	2.05920
Invesco Global Stable Fund	04/03/2015	579,894,239	0.83055%*	Mixed Assets Fund - 21% to 40% Equity	1.43695
Allianz Choice Balanced Fund	19/03/2010	734,900,344	0.98849%*	Mixed Assets Fund - 61% to 80% Equity	1.37436
Allianz Choice Stable Growth Fund	01/12/2000	429,534,937	0.99070%*	Mixed Assets Fund - 41% to 60% Equity	1.36587
Fidelity Balanced Fund	01/12/2000	1,410,025,523	0.87924%*	Mixed Assets Fund - 61% to 80% Equity	1.37436
Fidelity Stable Growth Fund	01/12/2000	715,034,585	0.88551%*	Mixed Assets Fund - 41% to 60% Equity	1.36587
Invesco MPF Conservative Fund	01/12/2000	745,212,629	0.66355%*	Money Market Fund - MPF Conservative Fund	0.88297
Schroder MPF Core Accumulation Fund	1/4/2017	709,933,935	0.58185%*	Mixed Assets Fund - Default Investment Strategy - Core Accumulation Fund	0.79328
Schroder MPF Age 65 Plus Fund	1/4/2017	327,198,772	0.60948%*	Mixed Assets Fund - Default Investment Strategy - Age 65 Plus Fund	0.78658

** FER of the CF is above the respective industry average FER*

Note: source of Industry Average FER is from MPFA website (information as of 31 July 2025)

Investment Manager Performance Monitoring

SCT adopted multiple oversight mechanisms on investment managers. For example, the due diligence review on investment manager at constituent funds level covers the governance, internal control and processes, so on and so forth. Furthermore, SCT conducted regular review with the Principal Employer on the appropriateness of the underlying funds choices.

Table 5 - Assessment on Performance of Investment Manager(s)

Name of constituent fund	Investment manager of constituent fund	Investment vehicle	Year of last due diligence review on investment manager of constituent fund	Year of last review on choice of underlying fund(s)
SHKP MPF Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2025
Manulife Career Average Guaranteed Fund - SHKP	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2025
Invesco Global Stable Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2025
Allianz Choice Balanced Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2025

Allianz Choice Stable Growth Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2025
Fidelity Balanced Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2025
Fidelity Stable Growth Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2025
Invesco MPF Conservative Fund	Invesco Hong Kong Limited	Invest in HK dollar deposits, HK dollar denominated money market instruments as well as short-dated fixed interest securities.	2024	2025
Schroder MPF Core Accumulation Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2025
Schroder MPF Age 65 Plus Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2025

Quality of Services to the Scheme members

The Scheme onboarded to eMPF platform since 2 October 2024 in which eMPF Platform Company Limited ("eMPF PC"), which is a wholly-owned subsidiary of the Mandatory Provident Fund Schemes Authority, is tasked to design, build and operate the eMPF platform. eMPF platform aims to centralize the MPF scheme administration, reshape the ecosystem, and re-engineer the processes and operations through innovative solutions. Various means of communication channels are available to collect feedback from scheme participants, such as, on-site member briefings, call centre, online website and portal. Views and feedbacks from employers and members are discussed in meetings among trustee, employers, and/or eMPF PC and its vendor to assess if enhancement of service is required

Conclusion

In view of the foregoing, SCT is satisfied that the Scheme provided Value for Money to the Scheme's members for the year ended 31 March 2025, and consistently adopted the monitoring mechanism to improve the governance framework and Value for Money initiative.

(ii) Sustainable Investing Strategy and Implementation Progress

SCT is committed to working with the investment managers of the CFs and/or the underlying funds in the integration of environmental, social and governance ("ESG") factors into the investment and risk management processes in accordance with the MPFA's Principles for Adopting Sustainable Investing in the Investment and Risk Management Processes of MPF Funds" issued in November 2021.

1. SCT recognizes that ESG factors could be a source of financial risk with a long-term financial impact on the value of MPF investment portfolios. It is therefore in members' interest that ESG factors are taken into account in the investment and risk management processes.
2. SCT would consider the ESG policies and practices adopted by the appointed investment managers of CFs and the underlying funds, to ensure they align with the Scheme's ESG integration strategy.
3. During the process of selecting investment managers of constituent fund and underlying fund levels, SCT requires investment managers to articulate how ESG considerations are integrated to their investment philosophy and process and investment decision making, and how the integration approach can enhance the investment performance and risk management of their strategy. SCT would engage with the investment managers who are signatories (or who is looking to have the signatory) to the United Nations Principles for Responsible Investment ("UNPRI") and/or other reputable industry organisations going forward. Such signatories commit to integrate ESG issues into investment analysis and decision-making processes. SCT has also reminded investment managers to keep abreast of the latest development in sustainability related standards, such as the Hong Kong Taxonomy for Sustainable Finance, the Hong Kong Code of Conduct for ESG Ratings and Data Products Providers, and the HKFRS Sustainability Disclosure Standards.
4. The Board monitors on the ESG integration of the investment managers of the CFs and/or their underlying funds at regular Board meetings.

5. SCT requests information on the ESG policies adopted by the investment managers of the CFs and/or their underlying funds to ensure they align with the Scheme's ESG integration policies. Currently, most of the investment managers of the CFs and/or the underlying funds are signatories to the UNPRI (except for one) which shows evidence of their commitment to comply with the global ESG investment standards and most of the investment managers have dedicated ESG staff conducting scenario analysis on ESG considerations.
6. SCT ascertains from the investment managers how relevant and material ESG factors are taken into account into their investment and risk management processes. The investment managers demonstrated to trustee of their integration of ESG factors and considerations into the investment decision making processes.
7. SCT expects the investment managers to use their influence as institutional investors to pursue SCT's rights and duties as a shareholder including voting, along with, where relevant and appropriate, engaging with the underlying investee companies to promote good corporate governance, accountability and positive change.
8. SCT requires that the investment managers report to SCT on ESG and stewardship matters on a regular basis and be responsive to queries from SCT. The investment managers are also invited to report the ESG related information in the investment committee meeting.
9. SCT will continue to monitor the status and report the ESG integration strategy to the Board.

SCT's ESG integration strategy for the Scheme was formalised and endorsed by the Board since 2022. The governance framework was applied consistently by SCT for the financial year and regularly engaged and encouraged the investment managers on ESG integration.

Board's Endorsement on the Scheme's Governance Report

The Scheme's Governance Report was endorsed by the Board of SCT on 15 September 2025.